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Description of document: Final report and closing memo for closed Department of the Interior (DOI) Office of Inspector General (OIG) Investigations on travel-related issues, 2007-2011

Requested date: 03-March-2012

Released date: 27-September-2013

Posted date: 25-November-2013

Source of document: FOIA Officer  
Office of Inspector General  
U.S. Department of the Interior  
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MS-4428  
Washington, DC 20240  
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OFFICE OF  
**INSPECTOR GENERAL**  
U.S. DEPARTMENT OF THE INTERIOR

VIA EMAIL

September 27, 2013

Re: 12-FOI-00043

This is in response to your letter dated March 3, 2012, which was received by the Office of Inspector General (OIG) on March 12, 2012. In your letter, you request the following information under the Freedom of Information Act (FOIA), 5 U.S.C. § 552: "each final report and closing memo for any closed DOI OIG Investigations on travel-related issues...from January 1, 2006 and the present."

A search was conducted and enclosed are copies those investigations. There are 124 pages responsive to your request. Of those, approximately 119 pages contain some information that is being withheld and 5 pages are being released in their entirety.

Deletions have been made of information that is exempt from release under the provisions of 5 U.S.C. §§ 552(b)(6) and (b)(7)(C). These sections exempt from disclosure are items that pertain to: (1) personnel and other similar files the disclosure of which would constitute a clearly unwarranted invasion of personal privacy and (2) records of information compiled for law enforcement purposes, but only to the extent that the production of such law enforcement records or information could reasonably be expected to constitute an unwarranted invasion of personal privacy. Exemptions (b)(6) and (b)(7)(C) were used to protect the personal privacy interests of witnesses, interviewees, middle and low ranking federal employees and investigators, and other individuals named in the investigatory file.

For your information, Congress excluded three discrete categories of law enforcement and national security records from the requirements of the FOIA. See 5 U.S.C. § 552(c) (2006 & Supp. IV (2010)). This response is limited to those records that are subject to the requirements of the FOIA. This is a standard notification that is given to all our requesters and should not be taken as an indication that excluded records do, or do not, exist.

If you disagree with this response, you may appeal the decision by writing to the following no later than 30 workdays after the date of the final response:

Office of the Solicitor  
FOIA Appeals Officer

U.S. Department of the Interior  
1849 C Street, NW  
MS-6556  
Washington, DC 20240  
[foia.appeals@sol.doi.gov](mailto:foia.appeals@sol.doi.gov)

The FOIA Appeal Officer's facsimile number is 202-208-6677. Your appeal should be filed in accordance with the regulations set out in 43 C.F.R. §§ 2.57-2.64, a copy of which is enclosed.

As part of the 2007 FOIA amendments, the Office of Government Information Services (OGIS) was created to offer mediation services to resolve disputes between FOIA requesters and Federal agencies as a non-exclusive alternative to litigation. Using OGIS services does not affect your right to pursue litigation. If you are requesting access to your own records (which is considered a Privacy Act request), you should know that OGIS does not have the authority to handle requests made under the Privacy Act of 1974. You may contact OGIS in any of the following ways:

Office of Government Information Services  
National Archives and Records Administration  
8601 Adelphi Road  
College Park, MD 20740-6001  
E-mail: [ogis@nara.gov](mailto:ogis@nara.gov)  
Web: <https://ogis.archives.gov>  
Telephone: 202-741-5770  
Facsimile: 202-741-5769  
Toll-free: 1-877-684-6448

However, should you need to contact me, my telephone number is 202-208-1644, and the email is [foia@doioig.gov](mailto:foia@doioig.gov).

Sincerely,



Tara Walker  
Program Analyst

Enclosures



OFFICE OF  
**INSPECTOR GENERAL**  
U.S. DEPARTMENT OF THE INTERIOR

JUL 26 2010

Memorandum

To: Michael R. Bromwich  
Director, Bureau of Ocean Energy Management, Regulation, and Enforcement

From: Mary L. Kendall *M. Kendall*  
Acting Inspector General

Subject: Report of Investigative Results – [REDACTED]  
Case No. [REDACTED]

The Office of Inspector General concluded an investigation based on an anonymous complaint that [REDACTED] Offshore Energy Minerals Management (OEMM); [REDACTED] OEMM; and [REDACTED], former [REDACTED], OEMM, violated travel regulations for personal gain, falsified local travel vouchers, and misused their Government-issued BlackBerrys.

We conducted interviews of OEMM employees purported to have information regarding the alleged misconduct. When interviewed, these employees related they had no information to provide nor did they have any reason to suspect [REDACTED] were involved in the alleged misconduct. They were also confused as to why they were named as witnesses. We concluded this investigation because of the vagueness of the complaint and the inability of the witnesses to provide evidence of alleged misconduct.

We are providing this report to you for any administrative action deemed appropriate. Should you need additional information concerning this matter, you may contact me at (202) 208-5745.



**OFFICE OF  
INSPECTOR GENERAL  
U.S. DEPARTMENT OF THE INTERIOR**

**REPORT OF INVESTIGATION**

<b>Case Title</b> [REDACTED]	<b>Case Number</b> [REDACTED]
<b>Reporting Office</b> Program Integrity Division	<b>Report Date</b> July 14, 2010
<b>Report Subject</b> Final Report of Investigation	

**SYNOPSIS**

We initiated this investigation based on an anonymous hotline complaint alleging that [REDACTED] (SES), Offshore Energy Minerals Management (OEMM); [REDACTED] OEMM; and [REDACTED] former [REDACTED] (SES), OEMM, violated travel regulations for personal gain, falsified local travel vouchers, and misused their U.S. Government-issued Blackberrys.

The complaint did not describe specific incidents of misconduct but indicated that it was common knowledge and listed three employees, including two senior managers, who could purportedly provide additional information. Our interviews of the three employees, however, revealed no substantive evidence to support the vague allegations.

**DETAILS OF INVESTIGATION**

On June 14, 2010, we initiated this preliminary investigation based on an anonymous hotline complaint alleging that [REDACTED] and [REDACTED] violated travel regulations for personal gain, embellished mileage and incidental costs while on local travel, and used their personal vehicles when Government transportation was available (**Attachment 1**). It also alleged that they misused their Government-issued BlackBerry.

The complaint was nonspecific but stated that the alleged misconduct occurred over a 3-year period and that they had personal knowledge of the misconduct but chose to remain anonymous due to privacy concerns.

Reporting Official/Title [REDACTED] Investigator	Signature
Approving Official/Title Harry Humbert/ Director, Program Integrity Division	Signature

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Case Number: [REDACTED]

The complaint listed three employees, including two senior managers, who could provide additional information. Those employees were identified as [REDACTED] [REDACTED] and [REDACTED]

We interviewed [REDACTED] [REDACTED], Offshore Energy Minerals Management Program, OEMM, who advised that [REDACTED] is [REDACTED] (Attachment 2). [REDACTED] said that [REDACTED] has never reviewed [REDACTED] travel vouchers and could not recall traveling with him either locally or elsewhere on temporary duty. [REDACTED] said that on occasion [REDACTED] has approved [REDACTED] travel vouchers when [REDACTED] was unavailable. When asked if [REDACTED] has ever questioned [REDACTED] travel documents, [REDACTED] explained that whenever [REDACTED] approves travel, [REDACTED] first looks at the reasonableness of the costs incurred. [REDACTED] said, "We go to pretty similar places, you know, New Orleans or California, mostly New Orleans, and you look for reasonableness and length of time and the types of charges, etc." [REDACTED] also said that before vouchers make it to an approving official they have already been reviewed by "Auditing or Finance."

Like [REDACTED] [REDACTED] OEMM, said that [REDACTED] is his [REDACTED] [REDACTED] said that [REDACTED] is a division chief and is his peer (Attachment 3). He explained that he has only traveled with [REDACTED] twice and with [REDACTED] once. [REDACTED] said that while traveling with them, he never questioned their travel expenditures and had no reason to believe that they violated travel policy. He recalled that when he traveled with [REDACTED] they used a shuttle to travel between the airport and the hotel instead of renting a car. He also recalled that [REDACTED] traveled by taxi rather than renting a car.

[REDACTED] said that on one or two occasions, he also traveled with [REDACTED] locally when [REDACTED] drove his personal car. He explained that [REDACTED] has offices in Herndon, VA, and Washington, DC, and that commuting from his home to either location via Government transportation would be impractical. [REDACTED] said that he has never reviewed [REDACTED] travel vouchers and assumed that they were approved by the Director. He said he has also never reviewed [REDACTED] or [REDACTED] vouchers.

[REDACTED] [REDACTED] [REDACTED] advised that [REDACTED] has occasionally prepared [REDACTED] travel vouchers (Attachment 4). [REDACTED] also said that [REDACTED] has processed [REDACTED] local vouchers but maintained that those occurrences were rare, and [REDACTED] could not recall the last time he submitted one. [REDACTED] said that he has always submitted receipts for travel-related costs such as hotel and rental cars, and [REDACTED] has never had reason to question whether the costs were excessive or unnecessary.

None of the three employees interviewed could provide any evidence to support the complainant's allegations.

### SUBJECT(S)

None

### DISPOSITION

This investigation is being forwarded to the Director, Bureau of Ocean Energy Management, Regulation, and Enforcement for any action deemed appropriate.

### ATTACHMENTS

Case Number: [REDACTED]

- 1) Anonymous OIG Hotline Complaint, June 3, 2010.
- 2) IAR/Transcript – Interview of [REDACTED] June 17, 2010.
- 3) IAR/Transcript – Interview of [REDACTED] July 7, 2010.
- 4) IAR/Transcript – Interview of [REDACTED] June 17, 2010.

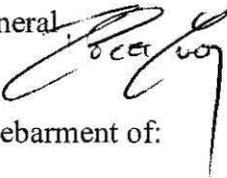


OFFICE OF  
**INSPECTOR GENERAL**  
U.S. DEPARTMENT OF THE INTERIOR

JUL 01 2011

**Action Referral Memorandum**

To: Debra Sonderman, Director  
Office of Acquisition and Property Management

From: Robert Knox, Assistant Inspector General  
Recovery Oversight Office 

Subject: Recommendation for the Proposed Debarment of:

Suzan M. Bacigalupi  


DOI-OIG Case No. OI-CO-06-0515-I: Bacigalupi

The following facts are offered in support of this recommendation for the proposed debarment of Suzan M. Bacigalupi (Bacigalupi). The Federal Acquisition Regulation (FAR) provides for the debarment, suspension, and ineligibility of contractors at 48 C.F.R. Subpart 9.4. Specifically, the U.S. Department of the Interior, Office of Inspector General (DOI-OIG) recommends that the named respondent be debarred for a three (3) year period under 48 C.F.R. Subpart 9.4.

**I. Introduction**

The DOI-OIG recommends that you propose the debarment of Bacigalupi who was convicted of two counts of theft of public money, property or records, and two counts of making false statements, offenses under 18 U.S.C. §§ 641 and 1001 that evidence a serious lack of business honesty and integrity.

**II. Party Involved**

Bacigalupi is a former Chief, Information Technology Management Service, Gulf of Mexico Region, Minerals Management Service (MMS), U.S. Department of the Interior (DOI). Bacigalupi's last known mailing address is 

### III. Factual Narrative for Action Basis

- A. On or about October 6, 2005, Bacigalupi knowingly and willfully used a false travel voucher, numbered TV-6-00026, with an attached guest receipt from the [REDACTED] showing that Bacigalupi paid \$1,700 to stay at the [REDACTED] from September 13, 2005 through September 30, 2005. In truth, [REDACTED] created the false guest receipt and did not pay \$1,700 to stay at the [REDACTED] as stated on [REDACTED] travel voucher (Attachment 1).
- B. On or about October 21, 2005, Bacigalupi used a false travel voucher, numbered TV-6-00226, with an attached guest receipt from the [REDACTED], showing that Bacigalupi paid \$1,260 to stay at the [REDACTED] from October 1, 2005 through October 14, 2005. In truth, [REDACTED] created the false guest receipt and did not pay \$1,260 to stay at the [REDACTED], as stated on [REDACTED] travel voucher (Attachment 1).
- C. On August 27, 2008, Bacigalupi was indicted in the Eastern District Court of Louisiana and charged with two counts of theft of public money, property or records, and two counts of making false statements (Attachment 1).
- D. On November 4, 2009, Bacigalupi pled guilty to two counts of theft of public money, property or records (18 U.S.C. § 641) and two counts of making false statements or entries generally (18 U.S.C. § 1001). The court convicted Bacigalupi and sentenced [REDACTED] to 12 months probation, fined [REDACTED] \$1,000, ordered [REDACTED] to pay a \$400 assessment fee and restitution to the U.S. Treasury in the amount of \$2,960 (Attachment 2).

### IV. Impact Analysis

Bacigalupi was convicted of an offense demonstrating a lack of business honesty and integrity. [REDACTED] has experience in Federal information technology management. [REDACTED] may reasonably be expected for herself, or for a business, to seek awards as a contractor, or subcontractor, or to conduct business with the Federal Government as an agent or representative of another contractor under federally funded procurement awards. Accordingly, Bacigalupi is a contractor within the meaning of 48 C.F.R. § 9.403.

### V. Statement of Authorities

Bacigalupi's August 5, 2009 criminal conviction establishes the existence of cause for debarment under 48 C.F.R. §§ 9.406-2(a)(3) and/or (a)(5).

### VI. Administrative Coordination

- A. This case was investigated by DOI-OIG.
- B. This recommended action has also been coordinated among other Federal agencies that may have an interest in this matter. Lead is deferred to DOI in the matter.

## **VII. Recommendation**

The DOI-OIG recommends the debarment of Bacigalupi for a period of three (3) years, generally anticipated under the rule to protect the interests of the U.S. Government in only doing business with responsible persons.

Attachments (2)

**ATTACHMENTS**

1. Indictment, United States v. Suzan Bacigalupi, No. 08-239 (E.D. LA. Aug. 27, 2008).
2. Judgment, United States v. Suzan Bacigalupi, No. 08-239 (E.D. LA. Nov. 4, 2009).



**United States Department of the Interior  
Office of Inspector General**

**REPORT OF INVESTIGATION**

<b>Case Title</b> Bacigalupi, Sue	<b>Case Number</b> OI-CO-06-0515-I
<b>Reporting Office</b> Tulsa, OK	<b>Report Date</b> March 11, 2008
<b>Report Subject</b> Report of Investigation	

**SYNOPSIS**

This investigation was initiated in September 2006 based upon information received from the Office of Audits, Office of Inspector General (OIG), U.S. Department of the Interior (DOI), alleging that Suzan “Sue” Bacigalupi, GS-15, Chief of Information Management Services, Gulf of Mexico Region (GOMR), Minerals Management Service (MMS), DOI, New Orleans, LA, submitted fraudulent travel vouchers associated with temporary duty travel (TDY) after Hurricane Katrina in September 2005.

The investigation determined that Bacigalupi created two false lodging receipts and claimed that [REDACTED] incurred \$2,960 in charges for accommodations at the [REDACTED], Spring, TX, while on TDY from September 12, 2005, through October 14, 2005. Investigation also determined that the [REDACTED] was actually the residence of Bacigalupi’s personal friend, [REDACTED] and that Bacigalupi voluntarily paid [REDACTED] a total of \$1,000 for the accommodations. Bacigalupi kept the remaining \$1,960 for herself.

This matter was presented to the U.S. Attorney’s Office-Criminal Division (USAO-CD) in New Orleans, LA, and a final prosecutive decision is pending.

**BACKGROUND**

GOMR, MMS, is one of three regional offices of MMS, an agency that manages more than a billion offshore acres and collects about \$10 billion in mineral revenues annually. GOMR has regional offices located in Houma, Lafayette, Lake Charles, New Orleans, LA; and Lake Jackson, TX, and a sub district office located in Corpus Christi, TX.

GOMR employs over 540 individuals as petroleum engineers, geologists, geophysicists,

Reporting Official/Title [REDACTED], Special Agent	Signature
Approving Official/Title Jack L. Rohmer, Special Agent in Charge	Signature

Authentication Number: DB669CF8FB9F27E4278400AA7BF297E1

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Case Number: [REDACTED]

inspectors, physical scientists, technicians, environmental scientists, oceanographers, meteorologists, marine biologists, economists, mineral leasing specialists, archaeologists, paleontologists, computer specialists, information specialists, administrative specialists, and a variety of clerical positions.

GOMR was severely affected by Hurricane Katrina, which struck New Orleans, LA, on August 29, 2005. Approximately 90 GOMR employees, including Bacigalupi, were evacuated to the MMS offices in Houston, TX, almost immediately after Hurricane Katrina. All of the GOMR employees from New Orleans, LA, evacuated to Houston, TX, under TDY authority, either stayed in hotels or signed leases on rental properties, except for Bacigalupi, who lodged with a personal friend. Those MMS-GOMR employees who stayed in hotels or signed apartment leases were reimbursed by MMS in accordance with Federal Travel Regulations (FTR).

### Federal Travel Regulations (FTR)

The FTR is promulgated by the General Services Administration (GSA) and is applicable to all DOI bureaus. The FTR governs TDY travel allowances (chapter 301); relocation allowances (chapter 302); payment of expenses connected with the death of certain employees (chapter 303); and payment from a non-federal source for travel expenses (chapter 304). Chapter 300 includes a general introduction and agency reporting requirements.

Chapter 301, Section 11.12(c) of the FTR-“*Lodging with friend(s) or relative(s) (with or without charge)*” states:

“You may be reimbursed for additional costs your host incurs in accommodating you only if you are able to substantiate the costs and your agency determines them to be reasonable. You will not be reimbursed the cost of comparable conventional lodging in the area or a flat „token“ amount.”

### Review by OIG Audits

In July 1996, the Office of Inspector General’s (OIG) Office of Audits initiated a review of federal purchase card and travel card transactions for hurricane Katrina relief efforts to determine if the transactions were adequately supported. The Office of Audits subsequently produced an audit report, dated July 27, 2006, which reflected that the auditors assigned to this review identified three travel vouchers prepared by Bacigalupi; two for living expenses in Houston, TX, and one for a meeting trip (NFI) (**Attachment 1**). Two lodging charges were identified on Bacigalupi’s travel vouchers for [REDACTED] TDY assignment in Houston, TX, that were not charged to [REDACTED] government travel card. The first charge, \$1,700, for lodging from September 12, 2005 through September 30, 2005, was reportedly paid with cash. The second charge, \$1,260, for lodging from October 1, 2005 through October 14, 2005, was reportedly paid with a check written to [REDACTED] for \$1,000, and the remainder, \$260, paid with cash. When MMS’ Finance Division requested a receipt from Bacigalupi indicating that these lodging invoices [REDACTED] submitted for the [REDACTED] were paid, [REDACTED] reportedly stamped the words “Paid in full,” wrote the words “cash & ck” or “cash,” along with the initials “[REDACTED]” on the invoices for the [REDACTED] and resubmitted the invoices to MMS finance.

The audit report further disclosed that the auditors determined that [REDACTED] a friend of Bacigalupi and owner of a private residence in Spring, TX, where Bacigalupi stayed during September-October 2005,

Case Number: [REDACTED]

had no apartments for rent at [REDACTED] property. The auditors also determined that [REDACTED] did not require payment from Bacigalupi for [REDACTED] stay at [REDACTED]'s residence during this TDY assignment, but that Bacigalupi voluntarily gave [REDACTED] a check for \$1,000 and some cash (See Attachment 1).

During their review, the auditors spoke with [REDACTED] Finance Division, MMS, DOI, Herndon, VA, who reported that sometime in September or October 2005, [REDACTED] informed Bacigalupi that, according to the FTR, [REDACTED] could not get reimbursed for paying rent to a friend for lodging while in Houston, TX. [REDACTED] told the auditors that [REDACTED] referred Bacigalupi to the FTR, which said that when a MMS employee lodged with a friend or relative, that employee could be reimbursed for additional costs that the host incurred while accommodating the employee, only if the employee was able to substantiate the costs and MMS determined them to be reasonable. The FTR also said that an MMS employee would not be reimbursed the cost of comparable conventional lodging in the area or be paid a flat "token" amount. Bacigalupi allegedly submitted the travel vouchers for lodging at [REDACTED]'s residence, even after [REDACTED] explained the FTR to [REDACTED] (See Attachment 1)

According to MMS guidance provided to MMS-GOMR employees evacuated during this TDY assignment to Houston, TX, if a charge card was not accepted by a lodging facility, convenience checks were to be used. According to Bacigalupi, MMS was not able to provide [REDACTED] with convenience checks for these charges (See Attachment 1).

OIG auditors suspected that the lodging receipts and invoices that Bacigalupi submitted with [REDACTED] travel vouchers for [REDACTED] TDY assignment in Houston, TX, after Hurricane Katrina, were fraudulent and possibly created by Bacigalupi. Information gathered during this audit indicated that the charges for lodging for Bacigalupi were inappropriate and violated the FTR. OIG auditors believed that Bacigalupi knowingly submitted two vouchers requesting reimbursement for expenses that were not allowable (See Attachment 1).

## **DETAILS OF INVESTIGATION**

We initiated this investigation in September 2006 after we were notified by [REDACTED] Central Region, Office of Audits, OIG, DOI, of the initial audit findings in regard to Bacigalupi's travel voucher claims. [REDACTED] provided information regarding the audit and said that in late August 2005, Bacigalupi, along with numerous other MMS personnel in New Orleans, LA, were evacuated to Houston, TX, after Hurricane Katrina. In October 2005, Bacigalupi filed two travel vouchers totaling \$6,482 for [REDACTED] TDY assignment to Houston, TX, from September 12, 2005, through October 20, 2005.

On September 21, 2006, investigators met with the auditors who had performed the audit work in this matter. The auditors briefed the investigators on the issues, and provided copies of Bacigalupi's travel authorization, vouchers, and supporting documentation (**Attachment 2**).

[REDACTED] was re-interviewed by investigators regarding [REDACTED] conversation with Bacigalupi relating to travel and reimbursements due to Bacigalupi for [REDACTED] TDY assignment in Houston, TX, after Hurricane Katrina. [REDACTED] provided the investigators with essentially the same information [REDACTED] previously provided to OIG auditors (**Attachment 3**). [REDACTED] also provided a written statement summarizing the conversation [REDACTED] had with Bacigalupi related to travel and reimbursements due to Bacigalupi for [REDACTED] TDY assignment in Houston, TX, after Hurricane Katrina (**Attachment 4**).

Case Number: [REDACTED]

A review was conducted by investigators of electronic files (documents and emails) relating to Bacigalupi, provided by [REDACTED] GOMR, MMS, New Orleans, LA (**Attachment 5**). These electronic files were provided to the OIG so that any documents or emails between Bacigalupi, other MMS officials, and [REDACTED] regarding Bacigalupi's trip to Houston, TX, during the months of September and October 2005, could be identified. The review identified four emails exchanged between Bacigalupi and [REDACTED], MMS, Herndon, VA, related to Bacigalupi's TDY assignment in Houston, TX, after Hurricane Katrina. The emails are described below.

- On December 14, 2005, [REDACTED] sent an email to Bacigalupi asking [REDACTED] for the method of payment [REDACTED] used to pay for [REDACTED] lodging expenses, related to [REDACTED] TDY assignment in Houston, TX (**Attachment 6**).
- On December 14, 2005, Bacigalupi replied to [REDACTED]'s email stating that [REDACTED] paid for [REDACTED] lodging expenses for this TDY assignment with cash and one check (**Attachment 7**).
- On December 14, 2005, Bacigalupi sent another email to [REDACTED] stating that [REDACTED] tried to get a convenience check to pay for these lodging expenses, but [REDACTED] GOMR, MMS, New Orleans, LA, did not have any, so Bacigalupi paid for [REDACTED] lodging expenses with cash and one check (**Attachment 8**).
- On December 16, 2005, [REDACTED] sent an email to Bacigalupi asking [REDACTED] to send a copy of the check that [REDACTED] used for lodging expenses in Houston, TX, to his attention at MMS Finance Division in Herndon, VA (**Attachment 9**). No reply email from Bacigalupi to this email from [REDACTED] was identified in this review.

[REDACTED] was interviewed by investigators at [REDACTED] residence in Spring, TX, and confirmed that Bacigalupi stayed with [REDACTED] during September and October 2005, as a personal guest. [REDACTED] said that [REDACTED] did not charge Bacigalupi any money for this stay; however, [REDACTED] reluctantly accepted a check from Bacigalupi for \$1,000, after Bacigalupi insisted on paying [REDACTED] (See Attachment 2). [REDACTED] informed the investigators that [REDACTED] did not receive any additional payments from Bacigalupi for lodging. [REDACTED] also denied that [REDACTED] prepared any lodging invoices or receipts for Bacigalupi's stay (**Attachment 10**). [REDACTED] provided a written statement summarizing the use of [REDACTED] residence by Bacigalupi for temporary lodging during September and October 2005, the fraudulent invoices shown to [REDACTED] by investigators, and any payments received from Bacigalupi (**Attachment 11**). 7E

[REDACTED], Bacigalupi admitted that [REDACTED] prepared the false lodging invoices to file with [REDACTED] travel vouchers for [REDACTED] TDY assignment in Houston, TX, after Hurricane Katrina. Bacigalupi admitted that [REDACTED] was reimbursed \$2,960 for lodging expenses, but only paid [REDACTED] \$1,000. Bacigalupi admitted [REDACTED] that [REDACTED] was "bending the rules" by filing these lodging receipts for reimbursement (See Attachment 10).

#### Interview of Suzan Bacigalupi

Bacigalupi was subsequently interviewed at [REDACTED] office by the investigators. An audio recording of this

interview was made, and Bacigalupi consented to this recording. Bacigalupi initially lied to the investigators about the accuracy of [REDACTED] lodging receipts totaling \$2,960 for [REDACTED] TDY assignment in Houston, TX, after Hurricane Katrina. Bacigalupi subsequently admitted that [REDACTED] used [REDACTED]'s personal computer to prepare the false lodging invoices, forged [REDACTED]'s initials on these invoices, only paid [REDACTED] \$1,000, and kept the remaining \$1,960 for herself. Bacigalupi told investigators that [REDACTED] did not save the invoices on [REDACTED]'s computer. Bacigalupi said that [REDACTED] did not use [REDACTED] MMS assigned laptop to create these invoices. Bacigalupi reiterated that [REDACTED] left copies of these invoices with [REDACTED] before Bacigalupi left [REDACTED]'s residence in October 2005. Bacigalupi also said that [REDACTED] mailed [REDACTED] copies of the invoices in 2006, because OIG auditors contacted [REDACTED] attempting to verify the accuracy of Bacigalupi's invoices; and again on September 12, 2007, because [REDACTED] called Bacigalupi on September 11, 2007, regarding investigators interviewing [REDACTED] about the accuracy of Bacigalupi's invoices.

Bacigalupi denied that [REDACTED] ever participated in any telephone conversation with [REDACTED] in which [REDACTED] explained to [REDACTED] that, according to the FTR, [REDACTED] could not get reimbursed for paying rent to a friend for lodging while in Houston, TX. Bacigalupi said that after [REDACTED] was visited by OIG auditors in July 2006, regarding [REDACTED] travel vouchers for this deployment, [REDACTED] looked up the policy regarding reimbursements when lodging with friends or relatives in the FTR. Bacigalupi indicated that it was only after [REDACTED] looked up the policy that [REDACTED] realized that all of the lodging expenses that [REDACTED] claimed for this deployment were out of policy (**Attachment 12**). Bacigalupi provided a written statement admitting that [REDACTED] prepared the false lodging invoices for [REDACTED] TDY assignment to file with [REDACTED] travel vouchers; and that [REDACTED] was reimbursed \$2,960 for lodging expenses, but only paid [REDACTED] \$1,000, and kept the remaining \$1,960 for herself (**Attachment 13**).

Shortly after [REDACTED] interview with investigators, Bacigalupi provided an email with an attached written statement (**Attachment 14**). In [REDACTED] statement, Bacigalupi reported that [REDACTED] needed to recreate the lodging invoices for [REDACTED] stay at [REDACTED]'s residence during September and October 2005, using [REDACTED] computer, while in Houston, TX, but [REDACTED] did not bring [REDACTED] work computer home to use. Bacigalupi also indicated in [REDACTED] statement that in 2005 [REDACTED] did not think that using [REDACTED] work computer to save these invoices created a problem since they were reportedly needed for the travel vouchers. These invoices were reportedly stored in Bacigalupi's MMS computer (local hard drive) until some time in 2006. Bacigalupi reported that [REDACTED] knew the travel vouchers for this deployment were going to be reviewed by the MMS Finance Division; therefore, [REDACTED] concluded that [REDACTED] could not have deliberately defied MMS's lodging reimbursement policies. Bacigalupi indicated that [REDACTED] actions were not part of a conspiracy to make \$2,960, although [REDACTED] currently understood how MMS considered [REDACTED] actions as such (**Attachment 15**). On October 10, 2007, the case agent received a signed copy of this written statement, dated September 25, 2007, from Bacigalupi (**Attachment 16**).

A review was conducted by investigators of the "MMS IT Rules of Behavior for Fiscal Year 2005," provided by [REDACTED], Administration & Budget (A&B), MMS, DOI, Herndon, VA (**Attachments 17 and 18**). This document explained that MMS would enforce the use of penalties against any user, who willfully violated any MMS or federal system security policy, to include: official written reprimands; suspension of system privileges; temporary suspension from duty; removal from current position; termination of employment; and possible criminal prosecution. This document indicated that MMS users were prohibited from entering unauthorized, inaccurate, or false information into a system. According to the "*Acknowledgement of MMS IT Rules of Behavior*" document; on February 9, 2005, Bacigalupi acknowledged that [REDACTED] read

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and understood the MMS Rules of Behavior, and agreed to adhere to them for the duration of time that [REDACTED] had access to MMS computing resources (**Attachment 19**).

On September 13, 2007, [REDACTED] Bacigalupi's [REDACTED] was interviewed at [REDACTED] place of employment. An audio recording of this interview was made, and [REDACTED] consented to this recording. [REDACTED] said that [REDACTED] created the travel vouchers for Bacigalupi's expenses while deployed to Houston, TX. [REDACTED] recalled that Bacigalupi lodged with a friend during this deployment. [REDACTED] told investigators that Bacigalupi possessed receipts for lodging and other expenses while staying with [REDACTED] friend, which [REDACTED] provided to [REDACTED] at the end of each month during Bacigalupi's TDY assignment. [REDACTED] also said that Bacigalupi had no proof of payments for any lodging invoices for this deployment.

Further, according to [REDACTED] Bacigalupi signed [REDACTED] travel vouchers after [REDACTED] created them. [REDACTED] then provided Bacigalupi's travel vouchers to [REDACTED], MMS, DOI, Washington, D.C., (former [REDACTED], GOMR, MMS, DOI, New Orleans, LA,) who approved and signed them. [REDACTED] then mailed Bacigalupi's approved travel vouchers to the MMS Finance Division in Herndon, VA. [REDACTED] did not recall having any discussions with Bacigalupi related to the FTR, and how they apply to MMS employees that requested reimbursement when lodging with friends or relatives, instead of in a hotel. [REDACTED] did not recall having any discussions with Bacigalupi regarding Bacigalupi lodging with a friend while in Houston, TX. [REDACTED] did not recall issuing Bacigalupi any convenience checks for lodging expenses, or any conversations with Bacigalupi regarding these convenience checks. [REDACTED] also did not recall any discussions with [REDACTED] regarding the FTR, or how they would apply to Bacigalupi while [REDACTED] was lodging with [REDACTED] friend. [REDACTED] could neither confirm nor deny that a discussion regarding the FTR between [REDACTED] and Bacigalupi took place (**Attachment 20**).

[REDACTED], GOMR, MMS, New Orleans, LA, was interviewed by investigators regarding his knowledge of the allegations against Bacigalupi, and the review performed by MMS Finance Division of Bacigalupi's travel vouchers. [REDACTED] said that he was not familiar with the allegations against Bacigalupi or any related MMS referrals to OIG for audit or investigation. [REDACTED] was not aware of any administrative actions being pursued by MMS against Bacigalupi (**Attachment 21**).

In response to a request by investigators, [REDACTED] conducted a review of Bacigalupi's Official Personnel File (OPF) and determined that Bacigalupi was currently retirement eligible and that MMS had not taken any administrative action against Bacigalupi to date. Investigators requested that [REDACTED] not take any administrative actions against Bacigalupi until after a prosecutive decision had been made by the U.S. Attorney's Office, per the instructions of Assistant United States Attorney (AUSA) [REDACTED], USAO-CD, Eastern District of Louisiana (ED-LA), New Orleans, LA.

#### Review of Bacigalupi's MMS computers

Based on a request from investigators, [REDACTED], GOMR, MMS, New Orleans, LA, obtained Bacigalupi's electronic files located on [REDACTED] current and former assigned computers. [REDACTED] subsequently provided Bacigalupi's hard drives to investigators for analysis and to search for the electronic copies of the false lodging invoices Bacigalupi created.

In October 2007, AUSA [REDACTED], USAO-CD, ED-LA, New Orleans, LA, [REDACTED] of Bacigalupi's MMS computer hard drives for electronic copies of the false lodging

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invoices that Bacigalupi created. AUSA [REDACTED] indicated that the banner on Bacigalupi's computer was legally sufficient to conduct the search (**Attachment 22**).

[REDACTED], GOMR, MMS, DOI, New Orleans, LA, was interviewed telephonically by investigators regarding [REDACTED] involvement in the review of Bacigalupi's travel vouchers related to this TDY assignment. [REDACTED] said that [REDACTED] set up a temporary station for a couple of days (NFI) in Houston, TX, during this deployment to answer questions regarding the FTR and how they related to this deployment. [REDACTED] provided an email from [REDACTED] dated October 25, 2005, regarding the publication of a document relating to frequently asked questions about extended TDY assignments (**Attachment 23**).

A review of the email provided by [REDACTED] disclosed that it was sent to [REDACTED]; [REDACTED] GOMR; [REDACTED] GOMR; and [REDACTED] MMS, DOI, New Orleans, LA. This email contained an attachment titled *Extended TDY FAQs*, that included information regarding per diem when lodging with friends or relatives while on an extended TDY assignment. The attachment explained that a MMS employee lodging with friends or relatives during a TDY assignment could be reimbursed for additional costs that the host would incur in accommodating that employee; only if the employee was able to substantiate the costs and MMS determined the costs to be reasonable, not to exceed 55-percent of the lodging rate for that area. The email attachment indicated that a MMS employee lodging with friends or relatives during a TDY assignment could not be reimbursed for the cost of comparable conventional lodging in the area, or a flat "token" amount. The attachment also indicated that a MMS employee lodging with friends or relatives during a TDY assignment would receive 55-percent of the Meals and Incidental Expenses (M&IE) rate for the extended TDY locality. This email informed the readers that the information contained in the attachment would be posted on the Louisiana page of the MMS Pipeline web site, either on the afternoon of October 25, 2005, or the morning of October 26, 2005. (**Attachment 24**)

[REDACTED], MMS, was interviewed by investigators regarding his involvement in the review of travel vouchers for Bacigalupi for this TDY assignment. [REDACTED] said that he reviewed Bacigalupi's travel vouchers for [REDACTED] travel expenses during [REDACTED] TDY assignment in Houston, TX. [REDACTED] questioned the location where Bacigalupi lodged and whether it was in compliance with the FTR. [REDACTED] said he thought that the invoices that Bacigalupi provided for [REDACTED] lodging expenses while in Houston, TX, appeared to be printed out from a personal computer. [REDACTED] also questioned the way that the lodging reimbursement was calculated on Bacigalupi's travel vouchers for [REDACTED] TDY assignment. According to [REDACTED] the maximum FTR reimbursable lodging rate allowed for this TDY assignment was \$92 per day. However, per travel regulations imposed by the DOI for this TDY assignment, if the assignment lasted longer than 30 days, the reimbursable lodging rate was reduced to \$50 (55-percent of the maximum reimbursable lodging rate), unless an employee could justify that he or [REDACTED] could not find any lodging for or under this reduced amount. This DOI imposed regulation was waived to allow employees to get reimbursed for the full lodging rate of \$92 for the first 30 days of the assignment, and start getting reimbursed at the reduced rate after the first 30 days of the assignment. Before the waiver, employees that were deployed for longer than 30 days were getting reimbursed for the reduced lodging rate from day one of the assignment. Bacigalupi's travel vouchers for this deployment listed reimbursable lodging fees of \$1,700 for 19 nights (September 12, 2005, through September 30, 2005), and \$1,260 for 14 days (October 1, 2005, through October 14, 2005). This calculated rate of \$90 per day was out of compliance per the regulations imposed by the DOI for this TDY assignment, since [REDACTED] assignment lasted longer than 30 days. [REDACTED]

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said that he contacted [REDACTED] regarding Bacigalupi's travel vouchers for this deployment soon after his initial review of [REDACTED] travel vouchers. According to [REDACTED] [REDACTED] asked him to get proof of payments from Bacigalupi for [REDACTED] lodging expenses while in Houston, TX (**Attachment 25**).

[REDACTED] also said that on December 14, 2005, he sent an email to Bacigalupi regarding [REDACTED] travel vouchers for this TDY assignment. In this email, [REDACTED] asked Bacigalupi for more information and copies of the methods of payment that [REDACTED] used for the lodging fees listed in [REDACTED] travel vouchers (See Attachment 6). [REDACTED] said that on December 14, 2005, Bacigalupi replied to his email informing him that [REDACTED] paid for [REDACTED] lodging in Houston, TX, with a check and some cash, and that [REDACTED] would provide him a copy of the check that [REDACTED] wrote for the lodging fee (See Attachment 7). Bacigalupi also informed [REDACTED] that [REDACTED] tried to get MMS to issue some convenience checks to [REDACTED] to use for these lodging fees, but MMS reportedly could not provide [REDACTED] with the checks, so [REDACTED] was forced to use a personal check and cash (See Attachment 8). [REDACTED] said that on December 16, 2005, he sent an email to Bacigalupi asking [REDACTED] to send a copy of the check that [REDACTED] wrote for [REDACTED] lodging fees to the MMS Finance Division office in Herndon, VA (See Attachment 9). [REDACTED] said that Bacigalupi provided him copies of the same lodging invoices that [REDACTED] turned in with [REDACTED] travel vouchers with the words paid in cash and/or check written on them, along with a copy of a check for \$1,000, written to [REDACTED] as proof of payment.

During a second interview with investigators, [REDACTED] said that Bacigalupi was reimbursed more than [REDACTED] was entitled to for [REDACTED] Meals and Incidental Expenses (M&IE) related to the TDY assignment. According to the FTR, an employee on an extended TDY assignment (over 30 days) would be reimbursed for 55-percent of the M&IE rate for the extended TDY locality. [REDACTED] indicated that Bacigalupi filed two separate travel authorizations/vouchers; one for travel from September 12, 2005, through September 30, 2005 (travel authorization number TV-5-04631/travel voucher number TV-6-00026), and the other one for travel from October 1, 2005, through October 21, 2005 (travel authorization number TA-6-00251/travel voucher number TV-6-00226); the latter ones approving the extension of [REDACTED] TDY assignment to over 30 days. Because of this, Bacigalupi should have only been reimbursed for 55-percent of the M&IE for Houston, TX, from October 1, 2005, through October 21, 2005, but [REDACTED] received reimbursement for the whole M&IE amount (**Attachment 26**).

*Agent's Note: The M&IE rate for Houston, TX, for September and October 2005 was \$59. Therefore, the extended TDY M&IE rate for Houston, TX, for these dates was \$32. Because of this, Bacigalupi should have been reimbursed for \$649 M&IE, instead of the \$1180 claimed on travel voucher number TV-6-00026, for October 1, 2005, through October 21, 2005; which was when [REDACTED] TDY extension approval became effective.*

#### Analysis of [REDACTED]'s personal computer

During this investigation, AUSA [REDACTED] authorized a consent search of [REDACTED]'s personal computer for electronic copies of the false lodging invoices created by Bacigalupi. It was anticipated that [REDACTED] would provide consent based on [REDACTED] full cooperation to date in the investigation. On November 28, 2007, [REDACTED] voluntarily provided investigators a black, generic, personal computer ([REDACTED] [REDACTED] that was located at [REDACTED] residence. [REDACTED] indicated that this computer was the computer that Bacigalupi used while [REDACTED] lodged at [REDACTED]'s residence. [REDACTED] read and signed Form OI-012, Voluntary Consent to Search, authorizing the search of [REDACTED] computer drive. This computer was returned to [REDACTED] on the same date (**Attachments 27, 28, and 29**).

Case Number: [REDACTED]

The search conducted by OIG of [REDACTED]'s computer hard drive did not reveal any files or fragmented files of the false lodging invoices created by Bacigalupi. However, the search identified two files, and four file fragments, which appeared to be spreadsheet information containing financial data for Bacigalupi. This spreadsheet identified a record for \$1,000 for [REDACTED] dated October 2005 (**Attachment 30**).

Review of Bacigalupi's travel voucher claims

On January 4, 2008, investigators submitted a request via email to [REDACTED], A&B, MMS, Washington, D.C., for various information relating to Bacigalupi's travel vouchers claims while on TDY to Houston, TX. This information was subsequently provided and a review was completed on February 4, 2008 (**Attachments 31-32**).

The documents provided through [REDACTED] office included a copy of Public Law (PL) 109-148, dated December 30, 2005; and PL 109-234, dated June 15, 2006, which outlined MMS's authorization of funding (PL 109-148 authorized \$16 million and PL 109-234 authorized \$15 million) for Hurricane Katrina related expenses. This review also identified the following information regarding the reimbursement payments to Bacigalupi, related to two travel vouchers that [REDACTED] filed for [REDACTED] TDY assignment in Houston, TX:

<u>Travel Authorization Number</u>	<u>Travel Voucher Number</u>	<u>Date Paid</u>	<u>Amount</u>	<u>MMS Account</u>	<u>Paid to Account</u>
TV-5-04631	TV-6-00026	October 13, 2005	\$3,109	[REDACTED]	[REDACTED]
TA-6-00251	TV-6-00226	October 26, 2005	\$3,372	[REDACTED]	[REDACTED]

*Agent's Note:* A review of the Federal Personnel Payroll System (FPP)S dated September 12, 2006, listed the U.S. Customs Federal Credit Union (CFCU), in New Orleans, LA, as the financial institution holding Bacigalupi's personal bank account. This review identified Bacigalupi's personal bank account number with [REDACTED], for electronic deposit of [REDACTED] federal salary.

In a letter dated January 28, 2008, provided to investigators, [REDACTED] reported that the M&IE paid to Bacigalupi was only for the days authorized by [REDACTED] travel vouchers, and that there were no M&IE overpayments. [REDACTED] also indicated in his letter that MMS Fund Cites 05KT and 06YA were only used to pay for Hurricane Katrina related expenses, both travel and non-travel related (**Attachments 33 and 34**).

Other email

A review was conducted by investigators of over 100,000 email files and attachments, dated from September 2005, through December 2007, for MMS employees [REDACTED] [REDACTED] Bacigalupi, [REDACTED] (**Attachment 35**). The purpose of this review was to identify if any emails were exchanged between the aforementioned and/or other MMS officials regarding the FTR or other matters related to this investigation. The email located, are shown below.

- An email from Bacigalupi to [REDACTED] dated September 15, 2005, indicating that [REDACTED] arrived in Houston, TX, on September 12, 2005, and that [REDACTED] was not lodging at a hotel during this TDY assignment (**Attachment 36**).

- An email from [REDACTED] Safety and Occupational Health Services Representative, GOMR, MMS, New Orleans, LA, to the “OMM GOM Houston” email distribution list, dated October 27, 2005, regarding the publication of a document related to frequently asked questions about extended TDY assignments (**Attachment 37**). This email was the same email that [REDACTED] sent to [REDACTED] on October 25, 2005 (See Attachment 23).

Further review determined that Bacigalupi was not included in the “OMM GOM Houston” email distribution list (**Attachments 38, 39, and 40**).

When interviewed by investigators, [REDACTED] said that, as [REDACTED] in 2005, [REDACTED] [REDACTED]. However, conceded [REDACTED] the period from which Bacigalupi’s two vouchers arose, was immediately following the impact of Hurricane Katrina on the Gulf coast area. So, the travel voucher claims by Bacigalupi and others at that time presented a myriad of challenges not only to those making the claims, but also to those reviewing and approving them. [REDACTED] opined, “The regs did not contemplate a situation like Katrina.” [REDACTED] said that MMS employees had been getting conflicting advice on how to complete the Houston vouchers, so several meetings had been held to address some of the many questions about how to process the travel vouchers. [REDACTED] recalled that at least a couple of the information meetings required all employees to attend, so he believed that Bacigalupi had attended them and had received the information about how to deal with the travel claims and vouchers.

[REDACTED] also said that Bacigalupi was previously responsible for reviewing and approving the travel vouchers for the people in [REDACTED] division and [REDACTED] had presently been reviewing vouchers for three to four subordinates who had also temporarily transferred to Houston, so [REDACTED] should have at least known the general regulations relating to travel reimbursements. [REDACTED] said that he had a “vague recollection” of discussions relating to reimbursements to claimants who reside with friends or relatives; but could not recall if the claimant could make a claim for reimbursement. [REDACTED] recalled that [REDACTED] had made several trips to Houston to provide guidance regarding the travel regulations. [REDACTED] said that he was familiar with the MMS Fund Cites, but did not know the specific funding account numbers that tracked the TDY vouchers and claims for the Houston-Hurricane Katrina travel. [REDACTED] said that he did not know the amount of funds expended for the TDY travel, but guessed that it was likely more than “a couple of million” (**Attachment 41**).

On March 12, 2008, [REDACTED] informed investigators that Bacigalupi submitted [REDACTED] retirement paperwork in order to retire effective April 1, 2008. AUSA [REDACTED], USAO, ED-Louisiana, was provided with this information on the same date.

## SUBJECT(S)

Suzan “Sue” Bacigalupi, GS-15, Chief of Information Management, GOMR, MMS, New Orleans, LA.  
[REDACTED]  
[REDACTED]

## DISPOSITION

On September 13, 2007, a preliminary criminal referral was made to the USAO-CD, ED-LA, who subsequently accepted this matter for criminal prosecution. AUSA [REDACTED] expressed interest in

prosecuting Bacigalupi for False, Fictitious, or Fraudulent Claims (18 USC 287), if the evidence supported prosecution.

On March 12, 2008, AUSA [REDACTED] was informed that Bacigalupi intended to retire effective April 1, 2008.

### ATTACHMENTS

1. OIG Audit Record of Discussion for Bacigalupi dated July 30, 2006; prepared by [REDACTED] Office of Audits (OA), OIG, DOI, Lakewood, CO.
2. Copies of Bacigalupi's travel authorizations, vouchers, and supporting documentation regarding Bacigalupi's TDY assignment in Houston, TX, during September and October 2005.
3. IAR – Interview of [REDACTED] dated August 23, 2007.
4. Voluntary Written Statement, provided by [REDACTED] on August 15, 2007.
5. IAR – Review of electronic files from Bacigalupi, dated September 7, 2007.
6. Email from [REDACTED] to Bacigalupi regarding lodging travel vouchers TV600226 and TV600026, dated December 14, 2005.
7. Email from Bacigalupi to [REDACTED] regarding lodging travel vouchers TV600226 and TV600026, dated December 14, 2005.
8. Email from Bacigalupi to [REDACTED] regarding lodging travel vouchers TV600226 and TV600026, dated December 14, 2005.
9. Email from [REDACTED] to Bacigalupi regarding lodging travel vouchers TV600226 and TV600026, dated December 16, 2005.
10. Interview of [REDACTED] dated September 28, 2007.
11. Voluntary Written Statement, provided by [REDACTED] on September 11, 2007.
12. Interview of Bacigalupi, dated October 3, 2007.
13. Voluntary Written Statement, provided by Bacigalupi on September 12, 2007.
14. Voluntary Written Statement, provided by Bacigalupi on September 25, 2007.
15. IAR – Written Statement provided by Bacigalupi, dated October 5, 2007.
16. Voluntary Written Statement dated September 25, 2007; signed by Bacigalupi on October 4, 2007; received by DOI-OIG on October 10, 2007.
17. IAR – Review of Documentation provided by [REDACTED], dated January 30, 2008.
18. MMS IT Rules of Behavior for FY 2005, provided by [REDACTED] on January 30, 2008.
19. Acknowledgement of MMS IT Rules of Behavior, submitted by Bacigalupi on February 9, 2005.
20. IAR - Interview of [REDACTED] dated October 3, 2007.
21. Interview of [REDACTED] dated September 10, 2007.
22. Screenshot – MMS Computer Login Banner, received by DOI-OIG on May 11, 2007.
23. MMS Finance Division Extended TDY Frequently Asked Questions, received by DOI-OIG on October 5, 2007.
24. IAR – Interview of [REDACTED], dated October 9, 2007.
25. IAR – Interview of [REDACTED] dated October 11, 2007.
26. IAR – Follow up interview of [REDACTED] dated December 14, 2007.
27. IAR – Retrieval and imaging of [REDACTED]'s Personal Computer Hard Drive, dated November 29, 2007.
28. IAR – OIG-CCU Forensic Backup Report\_[REDACTED] Computer, dated November 30, 2007.
29. IAR – OIG -CCU Forensic Backup Report\_Government Computer, dated December 6, 2007.
30. IAR – OIG-CCU Digital Forensics Report\_Government and [REDACTED] Computers, dated March

Case Number: [REDACTED]

- 11, 2008.
31. Email to [REDACTED], dated January 4, 2008; regarding a Documentation Request.
  32. IAR – Review of documentation provided by MMS Officials, rated January 28, 2008; related to the Travel Claims of Bacigalupi.
  33. Documentation provided by MMS Officials, dated January 28, 2008, related to the travel claims of Bacigalupi.
  34. Documentation provided by [REDACTED], A&B, MMS, DOI, Herndon, VA; dated January 25, 2008, related to the travel claims of Bacigalupi.
  35. IAR – Review of email files for MMS Employees, dated January 9, 2008.
  36. Email from Bacigalupi to [REDACTED] dated September 15, 2005; regarding the Office of Information Management Services (OIMS) staff.
  37. Email from [REDACTED] to “OMM GOM Houston” email distribution List dated October 27, 2005, regarding Published Extended TDY Frequently Asked Questions (FAQ).
  38. Email from [REDACTED] to Special Agent (SA) [REDACTED] OIG, DOI, Tulsa, OK; dated January 2, 2008; regarding Information on “OMM GOM Houston” Email Distribution List.
  39. Microsoft (MS) Excel Spreadsheet, Titled Houston Coop Phone Directory, emailed from [REDACTED] [REDACTED] GOMR, MMS, DOI, New Orleans, LA, to SA Betancourt on January 7, 2008.
  40. MS Excel Spreadsheet, titled Houston Email List, Emailed from [REDACTED] on January 9, 2008.
  41. IAR – Interview of [REDACTED] dated January 30, 2008.



# United States Department of the Interior

OFFICE OF INSPECTOR GENERAL  
Central Region Investigations  
134 Union Boulevard  
Suite 640  
Lakewood, Colorado 80228



July 22, 2009

## Memorandum

To: Larry Morrin  
Director, Office of Trust Review and Audit

From: *for* Jack L. Rohmer *Joseph D. Crook, Jr., ASAC*  
Special Agent in Charge

Subject: Referral – For Bureau Action as Deemed Appropriate –  
Response Required

Re: [REDACTED] et. al.  
DOI-OIG Case File No. [REDACTED]

The Office of Inspector General recently completed an investigation involving allegations that employees of the Office of Special Trustee (OST)-Office of Trust Review and Audit (OTRA) failed to work full eight-hour days while on temporary duty (TDY) to conduct tribal trust evaluations on two tribes in Boulevard, CA, and San Diego, CA, in November 2008. It was further alleged that these OST-OTRA employees falsified time and attendance sheets and travel vouchers by collecting travel expenses and per diem on days that they did not actually work.

The attached Report of Investigation (ROI) summarizes the results of our investigation and is forwarded for your review and action as deemed appropriate. Please read the protective markings in the ROI, and upon completion of your review, please provide a written response with a completed Accountability Form (attached) **within 90 days** of the date of this memorandum, and mail it to the Office of Inspector General, Office of Investigations, Attn: Teresa Hardy, 1849 C Street N.W. MS 4428, Washington, DC 20240.

If you have any questions regarding this matter, please contact Special Agent [REDACTED] or Don Crook, Assistant Special Agent in Charge, at (303) 236-8283.

Attachments



**United States Department of the Interior  
Office of Inspector General**

**REPORT OF INVESTIGATION**

<b>Case Title</b> [REDACTED]	<b>Case Number</b> [REDACTED]
<b>Reporting Office</b> Tulsa, OK	<b>Report Date</b> June 22, 2009
<b>Report Subject</b> Closing Report of Investigation	

**SYNOPSIS**

This investigation was initiated in December 2008 after an anonymous complaint was received by the U.S. Department of the Interior, Office of Inspector General (DOI-OIG), alleging time and attendance fraud by Auditors [REDACTED] and [REDACTED] Office of Trust Review and Audit (OTRA), Office of Special Trustee for American Indians (OST). The complaint alleged that [REDACTED] and [REDACTED] failed to work full eight-hour days while on temporary duty (TDY) to conduct tribal trust evaluations on two tribes in Boulevard, CA and San Diego, CA in November 2008. The complaint further alleged that [REDACTED] and [REDACTED] falsified time and attendance sheets and travel vouchers by collecting travel expenses and per diem on days that they did not actually work.

In an attempt to substantiate the allegations, we interviewed [REDACTED] and other OST-OTRA officials; reviewed travel documents, cell telephone records, and reviewed relevant regulations.

Our investigation determined that [REDACTED] and [REDACTED] violated the basic obligation of public service, 5 C.F.R. 2635.101 (b) (5), by failing to put forth an honest effort in the performance of their duties when [REDACTED] failed to work a full 8 hour day on November 4, 2008; [REDACTED] and [REDACTED] failed to return from their TDY assignment on November 6, 2008 after completing their work assignment, and [REDACTED] and [REDACTED] traveled to Tijuana Mexico during official business hours on November 4, 2008, without taking leave or obtaining supervisory approval. Additionally, we determined that [REDACTED] and [REDACTED] failed to follow Federal Travel Regulation (F.T.R.) guidance, F.T.R. 301-2.3, requiring federal employees to exercise the same care in incurring expenses that a prudent person would exercise if traveling on personal business. Lastly, we determined that the issues identified in the complaint were not unique to [REDACTED] and [REDACTED] November 2008 TDY assignment, but appeared to be a systemic issue within the OTRA organization. When we discussed the systemic travel issues with OTRA Director Larry Morrin, he told us that he planned to meet with

<b>Reporting Official/Title</b> [REDACTED] / Special Agent	<b>Signature</b>
<b>Approving Official/Title</b> Jack L. Rohmer / Special Agent in Charge	<b>Signature</b>

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Case Number: [REDACTED]

his staff, following the completion of this investigation, to provide them with guidance and his expectations for official travel.

This matter is being referred to the department for appropriate action. We did not present our investigative findings to the U.S. Attorney's Office for consideration since there were no known violations of federal criminal law. As all necessary investigative actions have been completed, this matter is closed.

### **BACKGROUND**

The following Code of Federal Regulations (C.F.R.) and Federal Travel Regulations (F.T.R.) for employees of the Executive Branch were determined to be relevant to this investigation:

- 25 C.F.R. 1000.350-TRUST EVALUATION REVIEW, states that the trust responsibility of the United States is legally maintained through a system of trust evaluations when Tribes/Consortia perform trust functions through Annual Funding Agreements (AFA) under the Tribal Self-Governance Act of 1994.
- 5 C.F.R. 2635.101 (b) (5)-BASIC OBLIGATION OF PUBLIC SERVICE, states that employees shall put forth an honest effort in the performance of their duties.
- F.T.R. 301-2.2-GENERAL RULES, states that a federal agency may pay only those travel expenses essential to the transaction of official business.
- F.T.R. 301-2.3-GENERAL RULES, states that a federal employee must exercise the same care in incurring expenses that a prudent person would exercise if traveling on personal business.
- F.T.R. 301-2.4-GENERAL RULES, states that a federal agency will not pay for excessive travel expenses unjustified in the performance of official business.
- F.T.R. 301-11.1-PER DIEM EXPENSES, states that a federal employee is eligible for an allowance (per diem or actual expense) when the employee performs official travel away from his or [REDACTED] official station, or other areas defined by the agency; the employee incurs per diem expenses while performing official travel; and the employee is in travel status for more than 12 hours.

### **DETAILS OF INVESTIGATION**

This investigation was initiated on December 30, 2008, after an anonymous complaint was received alleging that OTRA Auditors [REDACTED] and [REDACTED] had committed time and attendance fraud by failing to work full eight-hour days while on a temporary duty (TDY) assignment, occurring November 3, 2008 through November 7, 2008 (**Attachment 1**). The purpose of the TDY assignment was to conduct tribal trust evaluations on the Manzanita Band of Mission Indians in Boulevard, CA and the Ewiiapaayp Band of Kumeyaay Indians (EBKI) in San Diego, CA. The complaint further alleged that [REDACTED] and [REDACTED] falsified time and attendance sheets and travel vouchers by collecting travel expenses and per diem on days that they did not actually work.

#### Travel Voucher

During our investigation, [REDACTED] provided us with an undated copy of his travel voucher for the TDY assignment in question; which showed that he submitted a claim to the government for \$1,016 for travel reimbursement between November 3, 2008, and November 7, 2008 (**Attachment 2**). [REDACTED] [REDACTED] also provided us with a copy of [REDACTED] travel voucher, dated November 18, 2008, for the assignment in question; which showed that [REDACTED] submitted a claim to the government for \$417 for travel

Case Number: [REDACTED]

reimbursement between November 3, 2008, and November 7, 2008 (**Attachment 3**).

### Time and Attendance Records

During our investigation, we obtained [REDACTED] and [REDACTED] time and attendance records for pay period 2008-23 (October 26 to November 8, 2008) (**Attachments 4 and 5**). The time sheets showed that neither [REDACTED] nor [REDACTED] took leave between November 3, 2008 and November 7, 2008.

### Interviews

In an attempt to substantiate the allegations, we interviewed a number of OTRA employees, including [REDACTED] and [REDACTED]. The interviews revealed the following:

We interviewed [REDACTED], OTRA, OST, about [REDACTED] knowledge of the matter (**Attachment 6**). [REDACTED] told us that during the fall and winter of 2008, the OTRA Director's position was vacant and various OTRA lead auditors, including [REDACTED] took turns serving as the acting director for 30 days at a time. [REDACTED] served as acting director between November and late December 2008. During this period of time, [REDACTED] received and reviewed audit work papers for an audit conducted by [REDACTED] and [REDACTED] on two tribes in California - the MBMI and EBKI. During [REDACTED] review of the work papers, [REDACTED] learned that neither tribe had trust programs. When [REDACTED] realized that [REDACTED] and [REDACTED] had taken a full week in California to perform two audits on tribes that had no trust programs, [REDACTED] discussed the matter with OTRA Lead Auditors [REDACTED] and [REDACTED]. [REDACTED] recalled that everyone at the meeting questioned why both audits had lasted a week when neither tribe had trust programs. [REDACTED] explained that it should have only taken half a day to complete either audit. However, [REDACTED] told us that [REDACTED] and the other lead auditors ([REDACTED] [REDACTED] and [REDACTED]) were reluctant to confront [REDACTED] about his travel to California since he was a known DOI-OIG whistleblower and it might be perceived that they were retaliating against him.

We interviewed [REDACTED] Lead Auditor, OTRA, OST, about his knowledge of the matter (**Attachment 7**). [REDACTED] told us that a week or two after [REDACTED] and [REDACTED] returned from their TDY assignment in California, OTRA Lead Auditor [REDACTED] told him that the tribes that had been evaluated by [REDACTED] and [REDACTED] were very small. [REDACTED] confirmed that he subsequently discussed the appropriateness of [REDACTED] and [REDACTED] week long TDY assignment with other OTRA lead auditors. Additionally, [REDACTED] confirmed that no steps were taken to confront either [REDACTED] or [REDACTED] about their travel.

We interviewed [REDACTED] Lead Auditor, OTRA, OST, about his knowledge of the matter (**Attachment 8**). He also confirmed that several lead auditors questioned the necessity of [REDACTED] and [REDACTED] November 2008 travel to San Diego, CA and why they (i.e. [REDACTED] and [REDACTED]) didn't curtail their travel when their work had been completed. While [REDACTED] acknowledged that every tribe was different and that it was difficult to always know how much work was required prior to arriving at the TDY location, he said that "common sense dictates that you come home when you're done."

We interviewed [REDACTED] Lead Auditor, OTRA, OST, about his knowledge of the matter (**Attachment 9**). [REDACTED] told us that although he was the team leader on both audits (i.e. the MBMI and EBKI); he decided against going on either audit with [REDACTED] and [REDACTED] since he was busy with other work and knew that three people would be too many. He explained that he knew that little work was required at either site and had conservatively estimated that it would take 3 ½ days to

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complete the work. Although [REDACTED] had recognized, prior to both audits, that there was little to no trust programs at either tribe, he said that OTRA annual reporting requirements still required his office to conduct the reviews. [REDACTED] said that [REDACTED] a seasoned auditor with much experience in performing tribal compact trust reviews, volunteered for the assignment. [REDACTED] told us that because he had no contact with either [REDACTED] or [REDACTED] during their San Diego, CA TDY assignment, he had been unaware that they had completed their work in the field a day early. [REDACTED] told us that [REDACTED] and [REDACTED] should have returned a day early if they had completed their work by Thursday, November 6, 2008. [REDACTED] believed that [REDACTED] and [REDACTED] may have been justified in staying the extra day if they were attempting to contact and schedule a meeting with the EBKI that day. Although [REDACTED] told us that he was willing to give [REDACTED] and [REDACTED] the benefit of the doubt, he told us that [REDACTED] “would be the first to raise the red flag” if the roles had been reversed in this matter.

### [REDACTED] and [REDACTED] Response to Allegations

We questioned [REDACTED] Auditor, OTRA, OST, about the allegations (**Attachment 10**). [REDACTED] confirmed [REDACTED] involvement in conducting tribal compact trust reviews at the MBMI and EBKI during the week of November 3, 2008. [REDACTED] pointed out that according to the OTRA Trust Examination Data Collection Schedule Reports for the MBMI and the EBKI, the MBMI owned a total of 4,580 acres of trust land, and the EBKI owned a total of 4,551 acres of trust lands. Additionally, that the MBMI and EBKI participated in other trust programs including oil & gas leases and forestry programs.

When questioned about [REDACTED] activities during the week of November 3, 2008, [REDACTED] told us the following:

- Monday, November 3, 2008 – [REDACTED] traveled to San Diego, CA, by air.
- Tuesday, November 4, 2008 – [REDACTED] and [REDACTED] traveled to the EBKI and conducted a tribal trust evaluation.
- Wednesday, November 5, 2008 – [REDACTED] and [REDACTED] traveled to the MBMI and conducted a tribal trust evaluation.
- Thursday, November 6, 2008 – [REDACTED] prepared work papers on other, unrelated OTRA assignments.
- Friday, November 7, 2008 – [REDACTED] traveled to Albuquerque, NM, by air.

[REDACTED] admitted that [REDACTED] did not work full eight hour days during this TDY assignment (**Attachment 11**). [REDACTED] told us that because [REDACTED] knew ahead of time that there was going to be down time during this TDY assignment, [REDACTED] brought work papers with [REDACTED] from other unrelated projects. [REDACTED] reported that [REDACTED] spent much of the day working on these work papers on Thursday, November 6, 2008. During the interview, [REDACTED] was questioned about [REDACTED] activities on November 6, 2008. [REDACTED] said that [REDACTED] did not know since he never told [REDACTED] what he worked on during that day.

We questioned [REDACTED] Auditor, OTRA, OST, about the allegations (**Attachment 12**). [REDACTED] also confirmed his involvement in conducting tribal compact trust reviews at the MBMI and EBKI during the week of November 3, 2008. He provided the following information about his activities during that week:

- Sunday, November 2, 2008 – he drove, via his personal vehicle (POV), to Arizona.
- Monday, November 3, 2008 – he drove from Arizona to San Diego, CA.
- Tuesday, November 4, 2008 - [REDACTED] and [REDACTED] traveled to the EBKI where they

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- conducted a tribal trust evaluation.
- Wednesday, November 5, 2008 – he and [REDACTED] traveled to the MBMI where they conducted a tribal trust evaluation.
  - Thursday, November 6, 2008 – he tried unsuccessfully to contact the EBKI to schedule an appointment to review their trust land. He worked on work papers related to the tribal trust evaluations conducted on the MBMI and EBKI.
  - Friday, November 7, 2008 – he traveled, via POV, from San Diego, CA to Arizona.
  - Saturday, November 8, 2008 – he traveled, via POV, from Arizona to Albuquerque, NM.

[REDACTED] told us that he drove from Albuquerque, NM to San Diego, CA in his POV after submitting a cost comparison and receiving appropriate approval. [REDACTED] said that he and [REDACTED] attempted to work full eight-hour days on November 4, 5, and 6, 2008. On Tuesday, November 4, 2008, [REDACTED] and [REDACTED] met with EBKI tribal officials. Although they had intended to review EBKI's trust lands that day, the rainy weather conditions prevented them from doing so. [REDACTED] told us that on the morning of November 6, 2008, he tried two times to reach EBKI tribal officials on his government issued cell telephone ([REDACTED]) to schedule a review that day of EBKI trust lands. However, by the early afternoon, [REDACTED] still had not been able to reach tribal officials and had decided against checking out of his hotel room, and returning home. Instead, he decided to finish out the work day in his hotel room by working on his work papers. [REDACTED] told us that he does not believe that there will be any record of his calls to the tribe since he hung up after a few rings when no one answered. [REDACTED] told us that he did not think that [REDACTED] was aware of these calls or his plan to meet with EBKI tribal officials that day. Additionally, he told us that he was unaware of [REDACTED] activities that day.

Subsequent to our interview with [REDACTED] he voluntarily provided a written statement (**Attachment 13**). [REDACTED] identified [REDACTED] as the team leader for this assignment, but stated that [REDACTED] did not travel to the TDY location, even though [REDACTED] coordinated the assignment. [REDACTED] reported that [REDACTED] knew that the MBMI and EBKI had very little trust activity, and that he ([REDACTED] and [REDACTED]) would have down time during the TDY assignment (See Attachments 12 and 13).

In an attempt to substantiate [REDACTED] claim that he attempted to contact EBKI tribal officials, via his government cell telephone on Thursday, November 6, 2008, to schedule a review that day of EBKI trust lands, we reviewed Verizon Wireless billing records for telephone number ([REDACTED]) (**Attachment 14**). Our review of telephone calls made on November 6, 2008, failed to identify any calls placed to the tribe (telephone number [REDACTED]).

*Agent's note: [REDACTED] noted that there may not be a record of the calls he place to the EBKI on November 6, 2008 since calls, terminated without the other party answering, are not typically recorded on billing statements. We contacted Verizon Wireless to determine whether they would maintain records of such calls. Although Verizon Wireless advised that they did maintain records of such calls, they advised that a court order or subpoena would be required. DOI-OIG management decided against issuing a subpoena for the telephone records.*

### **Travel to Tijuana Mexico during Working Hours**

During our interview with [REDACTED] he volunteered that he and [REDACTED] visited Tijuana, Mexico on one of the afternoons (i.e. November 4, 5, or 6, 2008), after completing their work for the day (See Attachment 12). [REDACTED] told us that after sightseeing in Tijuana, he returned to his hotel room to work on work papers and to make up hours to complete a full eight hour day.

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In an attempt to verify [REDACTED] claim that he and [REDACTED] visited Tijuana during their TYD assignment, we contacted the Department of Homeland Security (DHS)-Immigration and Customs Enforcement (ICE). DHS records confirmed that [REDACTED] and [REDACTED] crossed into the United States from Mexico on November 4, 2008, at 6:14 pm eastern standard time (i.e. 3:14 pm PST) through the San Ysidro Port of Entry Pedestrian Lane (**Attachment 15**).

After receiving confirmation that [REDACTED] and [REDACTED] had travel into to Mexico during their TDY assignment, we re-interviewed [REDACTED] (See Attachment 11). [REDACTED] confirmed that [REDACTED] and [REDACTED] visited Tijuana on or about November 4, 2008. Initially, [REDACTED] told us that the travel to Tijuana occurred in the evening – after working hours. However, after we told [REDACTED] that DHS records show that [REDACTED] and [REDACTED] returned at 3:14 pm, [REDACTED] admitted that [REDACTED] had been mistaken about the time. [REDACTED] further acknowledged that [REDACTED] didn't work a full eight hour day that day – but probably worked a seven hour day.

We questioned [REDACTED] about the appropriateness of [REDACTED] and [REDACTED] travel to Tijuana, Mexico, during official working hours (See Attachment 9). He told us that he had been unaware of [REDACTED] and [REDACTED] travel to Tijuana on November 4, 2008. He said that although normal working hours in the field were typically 8:15 a.m. to 4:30 p.m., there were times when the work took longer to complete and times when the work was completed early. [REDACTED] thought that in the end, it all evened out. [REDACTED] told us that he did not believe that there was an issue with [REDACTED] making up his time after returning from sightseeing in Tijuana.

#### **OTRA Management's Plan to Resolve Matter and Prevent Future Abuses**

During our investigation, we discussed systemic travel related issues with Larry Morrin, Director, OTRA (**Attachment 16**). Morrin volunteered that he was reluctant to take disciplinary action against either [REDACTED] or [REDACTED] in this matter since he realized that the issues, identified in the complaint against both individuals, were not unique to them. Additionally, that OTRA leadership, prior to his (Morrin's) arrival on January 5, 2009, had a different philosophy and different expectations regarding travel and travel authorizations. Morrin told us that he planned to meet with his staff following the completion of this investigation to provide them with his expectations for official travel. Additionally, Morrin said that he intends to look at alternative formats to accomplishing the work in the field. Lastly, he advised that he intends to monitor travel requests and vouchers very closely to identify and prevent future abuses and waste.

#### **SUBJECT(S)**

Name: [REDACTED]  
[REDACTED]  
Title/Position: [REDACTED]  
Post of Duty: Albuquerque, NM

Name: [REDACTED]  
Grade: [REDACTED]  
Title/Position: [REDACTED]  
Post of Duty: Albuquerque, NM

**DISPOSITION**

This matter is being referred to the department for appropriate administrative action.

**ATTACHMENTS**

1. Copy of anonymous complaint, received on December 17, 2008.
2. Copy of [REDACTED] undated travel voucher.
3. Copy of [REDACTED] travel voucher, dated November 18, 2008.
4. Copy of [REDACTED] time and attendance records for pay period 2008-23.
5. Copy of [REDACTED] time and attendance records for pay period 2008-23.
6. IAR - Interview of [REDACTED] dated April 24, 2009.
7. IAR – Interview of [REDACTED] dated April 24, 2009.
8. IAR – Interview of [REDACTED] dated May 19, 2009.
9. IAR – Interview of [REDACTED] dated May 19, 2009.
10. IAR – Interview of [REDACTED] dated April 27, 2009.
11. IAR – Interview of [REDACTED] dated June 2, 2009.
12. IAR – Interview of [REDACTED] dated April 29, 2009.
13. Copy of [REDACTED] Voluntary Statement, dated April 23, 2009.
14. IAR – Record Review of Verizon Wireless Invoice for [REDACTED] dated April 30, 2009.
15. IAR – Contact with DHS-ICE Assistant Special Agent in Charge (ASAC) [REDACTED]  
[REDACTED], dated May 4, 2009.
16. IAR – Interview of Larry Morrin, dated June 4, 2009.



United States Department of the Interior  
OFFICE OF INSPECTOR GENERAL  
2300 Lake Park Drive, Suite 215  
Smyrna, Georgia 30080

Memorandum

To: Mary A. Bomar  
Director, National Park Service  
Attn: Larry Hudson

From: Andres Castro   
Assistant Special Agent in Charge  
Eastern Region Investigations

Date: February 11, 2008

Subject: Referral – **Response Required**

Re:   
DOI-OIG Case File OI-VA-07-0392-I

This office has concluded an investigation of    
 Office of the Chief Information Officer, National Park Service. The investigation was predicated on allegations of repeated misuse of a government credit card following an internal audit.

Please forward your written response, along with the attached Report of Investigation and completed Accountability Form, to:

Stephen A. Hardgrove  
Assistant Inspector General for Investigations  
Office of Inspector General  
U.S. Department of the Interior  
1849 C Street, NW, Mail Stop 5341  
Washington, DC 20240  
(Attn: Teresa Hardy)

Should your review of the allegations determine either criminal or significant administrative deficiencies or any change in policy, please contact this office immediately. Do not hesitate to contact me at (770) 801-7920 should you need additional information concerning this matter.

Attachment: Report of Investigation OI-VA-07-0392-I



**United States Department of the Interior  
Office of Inspector General**

**REPORT OF INVESTIGATION**

<b>Case Title</b> ██████████ ██████████	<b>Case Number</b> OI-VA-07-0392-I
<b>Reporting Office</b> Herndon, Virginia	<b>Report Date</b> 2-1-2008
<b>Report Subject</b> REPORT OF INVESTIGATION	

**SYNOPSIS**

The Office of Inspector General (OIG) opened an investigation based on a complaint from ██████████ ██████████ National Park Service (NPS), DOI. ██████████ explained that the NPS, Accounting Operations Center (AOC), conducted an Audit of the OCIO in January of 2007. One of the results of the audit revealed allegations of travel card abuse by ██████████ ██████████, Office of the Chief Information Officer (OCIO), NPS, DOI. After a review of ██████████ charge card by ██████████ it appeared that ██████████ had used his government charge card for personal gasoline purchases, rented a vehicle on two different occasions when he was not on government travel, and paid for a hotel room while on annual leave.

After two interviews with ██████████ and a very thorough investigation, the OIG has not been able to account for 82 charges on ██████████ government charge card. Of those 82 charges, this report highlights 32 charges that appeared to be questionable under the DOI Charge Card Program Policy Manual and NPS Memorandum: Guidance for Management of Charge Card Program, dated September 18, 2006. Through Bank of America, this investigation determined that ██████████ has been past-due 36 times on his government charge card account. During this investigation, ██████████ Verizon government cell phone account was also reviewed, and it was determined that during the past three years, ██████████ has cost the government \$2,606.63 by exceeding his allotted minutes.

Our findings were presented to the Department of Justice (DOJ), regarding the theft of \$602.05 of official Department of Interior funds, in violation of 18 United States Code 641. After a review of the case, DOJ decided to decline the case for prosecution pending administrative action by the government. We are forwarding this report to the NPS for any action deemed appropriate.

<b>Reporting Official/Title</b> ██████████ Special Agent	<b>Signature</b>
<b>Approving Official/Title</b> Douglas R. Hassebrock/Special Agent in Charge	<b>Signature</b>

Authentication Number: 74E22CD8D9679575A100F4A3940CFD13

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**OI-002 (01/08)**

## **BACKGROUND**

Several department and NPS regulations govern the use of government charge cards by government employees.

Section 1.6.2 of the DOI Integrated Charge Card Program Guide<sup>1</sup> (ICCPG) states,

If it is suspected that a charge card is being misused, this should be reported to the Bureau A/OPC, the cardholder's supervisor, and the OIG. The supervisor is required to take immediate action to gather facts and discuss the incident with the employee. If the supervisor is not satisfied that the incident was not intentional and/or did not result in loss to the Government, they must counsel the employee and take any action to administratively limit, temporarily suspend, or cancel charge card authority and, if appropriate, take action based on guidance in the DOI Personnel Handbook Part 2, "Charges and Penalty Selection for Disciplinary and Adverse Action." The Bureau A/OPC must monitor the situation and be available to the supervisor for consultation.

Misuse of a charge card may result in a repayment of unauthorized charges, suspension or cancellation of charge card privileges, requirements to complete remedial training, written or oral reprimands, warnings or admonishment, suspension without pay, revocation of a contracting officer's warrant, loss of Government driving privileges, and/or termination of employment.

Some examples of cardholder misuse include:

- ATM withdrawals with no associated travel;
- ATM withdrawals taken more than 5 calendar days before travel, or after travel has ended;
- ATM withdrawals that exceed the anticipated out of pocket expenses for the trip;
- Not paying the full amount due on the statement of account by the due date;
- Cardholders letting others use their card and/or account number;
- Writing convenience checks to "cash," self, or to other employees;
- Writing convenience checks over the authorized amount or to vendors who accept the card;
- Splitting transactions to avoid the single purchase limit;
- Purchasing fuel for a privately owned vehicle;
- Using the card for any expenses unrelated to official travel; and
- Original receipts not submitted or missing/altered receipts.

An NPS Memorandum titled: Guidance for Management of Charge Card Program, dated September 18, 2006, is the NPS's latest guide for the government charge card program, according to [REDACTED]. The memorandum addresses NPS policy with regard to responsibility of card holder, and delinquency.

The "Responsibility of Cardholders" section of the memo states, "Employees who hold government charge cards are required to... Retain invoices/receipts and monthly billing statements at a central

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<sup>1</sup> The DOI Integrated Charge Card Program Policy Manual (Revised 12-26-2007)  
<http://www.doi.gov/pam/chargecard/ChargeGuide.html>

Case Number: [REDACTED]

location for three fiscal years.”

The “Delinquency” section of the memo states, “The government issued charge card may be used only for expenses related to official government travel. Improper and unauthorized use of the charge card may render the cardholder personally liable for payment and cardholders may have their charge card privileges withdrawn, wages garnished as well as lead to disciplinary action.”

“Each month, Bank of America publishes a list of all accounts 60+days past due as of the close of the cycle for the 19<sup>th</sup> day of that month. Timelines for computing length of delinquencies can be found at [http://wcp.den.nps.gov/PolicyProgram/ChargeCard/timeline\\_memo.htm](http://wcp.den.nps.gov/PolicyProgram/ChargeCard/timeline_memo.htm).”

## DETAILS OF INVESTIGATION

The OIG initiated an investigation on June 29, 2007 in response to a complaint from NPS alleging misuse of a government charge card by [REDACTED], Office of the Chief Information Officer (OCIO), NPS, DOI. Specifically, [REDACTED] NPS, DOI, alleged that [REDACTED] used his government charge card on several occasions for personal use that violated NPS charge card policy (**Attachment 1**). The investigation was focused on [REDACTED] charge card expenditures, travel vouchers, and his personal bank accounts, in order to obtain an accurate account of where [REDACTED] may have misused his charge card.

The OIG was provided an itemized list of [REDACTED] government charge card expenditures from Bank of America, from August 2000 to July 2007, which totaled 572 charges (**Attachment 2**). Special agents with the OIG reviewed all 572 charges and compared them to [REDACTED] travel vouchers and receipts, and interviewed NPS staff to determine which charges were authorized. An Excel spreadsheet was created to illustrate the 82 charges for which the investigation could not account (**Attachment 3**). During the course of this investigation, [REDACTED] past and present co-workers were interviewed, and his travel vouchers were obtained. Additionally, OIG subpoenas were issued for [REDACTED] personal bank accounts.

OIG interviewed [REDACTED] who stated that [REDACTED] was a GS-14 supervisor in the Office of the Chief Information Officer, OCIO (**Attachment 4**). [REDACTED] supervises employees ranging from GS-7 to GS-12. [REDACTED] is the [REDACTED], a position he has had for the last [REDACTED]. [REDACTED] explained as the Chief of Office and Budget for the OCIO, [REDACTED] was responsible for the government charge card program, oversight of all OCIO expenditures, the assurance that funds are appropriately spent, as well as ensuring that the government charge cards are not being misused.

[REDACTED] requested an audit of his office when he began his acting CIO position in January of 2007 (**Attachment 5**). [REDACTED] explained he wanted to get an assessment of how his office was being managed. During the audit, some of [REDACTED] charges appeared to be questionable. After a further review of [REDACTED] travel from January 2007 to June 2007, it was determined that [REDACTED] had used his government charge card to purchase gasoline for his personal vehicle, rented vehicles while not in travel status, and paid for hotel stays while he was not on official travel.

The OIG interviewed [REDACTED], [REDACTED], who is [REDACTED] (**Attachment 6**). [REDACTED] stated that [REDACTED] Once the voucher or authorization is complete, the traveler reviews the draft

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authorization/voucher to ensure it is accurate. If the traveler agrees with the authorization/voucher then he/[REDACTED] signs the voucher. The voucher would then be sent to the employee's supervisor for final authorization.

[REDACTED] stated [REDACTED] began finding discrepancies in [REDACTED] travel vouchers, but [REDACTED] felt that if [REDACTED] told anyone in NPS, it would get back to [REDACTED] and [REDACTED] job may be compromised. [REDACTED] felt that [REDACTED] was so close to [REDACTED] that [REDACTED] would be in jeopardy of losing [REDACTED] job or being retaliated against if [REDACTED] found out. [REDACTED] was also very scared of [REDACTED] because of his temper and his argumentative nature. However, [REDACTED] stated [REDACTED] took notes instead, hoping the discrepancies would be found by NPS Accounting Operation Center (AOC). [REDACTED] stated that prior to our interview, an audit group from AOC came through to look at all travel and other financial areas of the OCIO. [REDACTED] pointed out the discrepancies with [REDACTED] vouchers to the auditors when they were conducting their review.

The OIG interviewed [REDACTED], NPS, Alaska Region, who stated [REDACTED] was a co-worker assigned to the Alaska Region from [REDACTED] (**Attachment 7**). [REDACTED] stated that during this time [REDACTED] was responsible for overseeing all centrally-billed items that the regional employees in Alaska were charging. [REDACTED] recalled when [REDACTED] had used his government charge card to pay for repairs on his personal vehicle. [REDACTED] stated [REDACTED] brought this to [REDACTED] attention and he told [REDACTED] he inadvertently used the card. [REDACTED] stated [REDACTED] changed the centrally-billed item to an individually-billed item, which made [REDACTED] responsible for paying the charge out of his own pocket. [REDACTED] was shown a copy of [REDACTED] charge card purchases that were received from Bank of America. [REDACTED] identified the December 21, 2000 charge of \$309.58 to Auto Zone in Pittsburg, California and the December 22, 2000 charge of \$139.50 to Delta Auto Service in Pittsburg, California as the amounts he inappropriately charged to his government charge card.

When interviewed, [REDACTED], Alaska Region, NPS, ([REDACTED]), stated that he remembered when [REDACTED] charged personal car repairs to his charge card (**Attachment 8**). [REDACTED] stated that after the incident, he had a conversation with [REDACTED] and told him this was improper and not to do it again. [REDACTED] told [REDACTED] that he thought it was a legitimate expense, because he was on official travel. [REDACTED] was unable to find any documentation regarding the conversation he had with [REDACTED]

[REDACTED] was provided a copy of [REDACTED] travel voucher, TA9910-C-0881, documenting his trip to Atlanta, Georgia, July 6-14, 2002. [REDACTED] stated he remembered the trip being for a recruiting seminar in Stone Mountain, Georgia. [REDACTED] explained that they stayed in the Hilton hotel near the airport upon arrival the first night, and then moved to the Stone Mountain Marriott the next day. [REDACTED] said that [REDACTED] should not have had charges on his government charge card for two hotels on the same night.

The OIG interviewed [REDACTED] NPS OCIO, who stated that [REDACTED] was in charge of small purchases for the OCIO and that [REDACTED] (**Attachment 9**). Special Agent [REDACTED] and [REDACTED] went through every purchase on [REDACTED] charge card from January 2003 to July 2007. West explained to Agent [REDACTED] what charges were appropriate and what charges may be questionable. The questionable charges were documented (see Attachment 3).

[REDACTED] was interviewed on July 12, 2007 concerning allegations of government charge card misuse. The interview was audio-recorded and transcribed (**Attachment 10**). [REDACTED] stated that he is responsible for overseeing all OCIO employees' charge card purchases. He is contacted by Bank of

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America as well, if there are any problems with employees being delinquent on their accounts. During this first interview with [REDACTED] he was able to give a few examples of what was centrally billed to the government. [REDACTED] stated, "gasoline is normally centrally billed, airline tickets are normally centrally billed. Hotel fares would not be centrally billed; those are things that show up on our charge cards that we are responsible for paying through reimbursement." [REDACTED] also stated that he has been through the yearly DOI online charge card training and stated that all employees who have a government-issued charge card are responsible for taking the training at least once per year. [REDACTED] explained in the July 12, 2007 interview that "The general policy is that each purchase that's made on a credit card, you're supposed to keep the receipt and then hand that receipt over to {Marian Dunn}. We want to make sure that things are captured in our internal system and that [REDACTED] has a record of anything that's purchased on a credit card." [REDACTED] also stated, "We also, in our staff meetings, talk about management and maintenance of receipts and receipts that we use our credit card for."

During the first interview with [REDACTED] he was asked to respond to the original five allegations that [REDACTED] had provided. During the interview with [REDACTED] he was shown supporting documentation to include his travel vouchers, charge card charges from Bank of America, receipts and leave slips. When [REDACTED] was asked direct questions using all these documents to support the allegations, [REDACTED] routinely stated he would need time to analyze the documentation for the questionable charges and would not give an answer until he had done so.

A second interview of [REDACTED] was conducted on December 19, 2007 concerning additional discrepancies with [REDACTED] government purchase card and cell phone use. This interview was also audio-recorded and transcribed (**Attachment 11**). During the interview [REDACTED] was given an opportunity to explain the following charges:

### **QUESTIONABLE CHARGES**

1. On December 21, 2000 and December 22, 2000, [REDACTED] used his government charge card to make repairs on his personal vehicle totaling \$449.08. During the December 19, 2007, interview [REDACTED] stated, "I was on travel, driving from Alaska to Louisiana. My car broke down over the weekend. I didn't have cash to pay for it. I put it on the card and paid the amount due." In an earlier interview with [REDACTED] [REDACTED] stated [REDACTED] changed the centrally-billed item to an individually-billed item which made [REDACTED] responsible for paying the charge out of his own pocket. [REDACTED] recalled having a conversation with Ferranti when he returned to Alaska about the charge and [REDACTED] stated, "He explained to me that that was not acceptable, although I was on travel, he understood the situation. I wasn't expected to be stuck out in the cold, driving from Alaska to Louisiana, but not to pay for auto services on the government charge card."
2. On July 17, 2001, there is a charge for Talkeetna Roadhouse for \$9.85 for which the OIG was unable to find a travel voucher or receipt for that time period. [REDACTED] did not provide a voucher or receipt for this expense. [REDACTED] was asked if this was a personal charge on his government charge card and [REDACTED] stated, "Not that I recall, sir." When [REDACTED] was asked what the Talkeetna Roadhouse was, [REDACTED] stated "I'm not certain."
3. On July 19, 2001, [REDACTED] charge card was charged \$215.57 at Denali Manor Bed and B. The OIG was unable to locate a travel voucher or receipt for this charge. [REDACTED] did not provide a voucher or receipt for this expense. [REDACTED] stated in the December 19, 2007 interview that,

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“You have not been able to find a travel voucher, but anytime that I went to Denali Manor Bed and Breakfast was for travel, official travel.”

4. On March 27, 2002, [REDACTED] charge card was charged \$27.01 at the Chevron in Cantwell, Alaska. The OIG was unable to find a travel voucher or receipt for this charge. [REDACTED] did not provide a voucher or receipt for this expense. [REDACTED] stated during the December 19, 2007, interview, “I don’t recall that charge.”
5. On July 7, 2002, [REDACTED] was on government travel to Stone Mountain, Georgia. His charge card was charged \$94.08 at the Hampton Inn on the same night [REDACTED] charge card was charged \$96.99 at the Hilton Atlanta Airport (**Attachment 12**). [REDACTED] stated in the December 19, 2007 interview, “I can’t recall that circumstance from 2002.”
6. On September 22, 2002, there was a line item on [REDACTED] travel voucher for a day of personal use of the rental car totaling \$33.32 (**Attachment 13**). [REDACTED] stated in the December 19, 2007 interview, “It was my understanding that the full charges go on to the government charge card, and I would pay back the \$33 that was owed. That’s my understanding.” [REDACTED] was then asked if it was permissible to do this, as long as an employee reimbursed the government for the charge. [REDACTED] replied by saying, “That is my understanding.” [REDACTED] did not explain why he needed to keep the rental car an extra day.
7. On June 23, 2003, [REDACTED] government charge card was used at Aramark Skyland 6, in Luray, Virginia, the total was \$110.00. The OIG was unable to find a corresponding travel voucher or receipt to support the charge. [REDACTED] did not provide a voucher or receipt for this expense. [REDACTED] stated in the December 19, 2007 interview, “I would have been on government travel, absolutely, and it would have been a conference for Project Management Information Systems.”
8. On July 28, 2003, [REDACTED] was on government travel in Baton Rouge, Louisiana. According to [REDACTED] travel voucher, [REDACTED] had to repay the government \$67.98 for personal use of a rental car (**Attachment 14**). [REDACTED] stated in the December 19, 2007 interview, “I reimbursed the National Park Service \$67.78, correct.” [REDACTED] did not explain why he needed to keep the rental car extra days.
9. On August 11, 2003, [REDACTED] government charge card was charged an extra \$115.89 for personal use of a rental car. [REDACTED] had to later repay the amount to NPS (**Attachment 15**). [REDACTED] did not explain why he needed to keep the rental car extra days.
10. According to [REDACTED] travel voucher on September 21, 2003 [REDACTED] had to repay the government \$52.76 for personal use of a rental car while in Baton Rouge, Louisiana (**Attachment 16**). [REDACTED] was asked in the December 19, 2007 interview if he had to repay the government \$52.76 for personal use and [REDACTED] responded by saying “yeah correct.” [REDACTED] did not explain why he needed to keep the rental car extra days.
11. On March 29, 2004, [REDACTED] government charge card was charged \$17.00 at Texaco in FT Washington, Maryland, which is very close to [REDACTED] permanent residence. On that same day [REDACTED] began a trip to Ocean City, Maryland, where he claimed personal miles on his travel voucher (**Attachment 17**). [REDACTED] stated in the December 19, 2007 interview, “I inadvertently used the charge card.” [REDACTED] then stated “I pulled the wrong charge card out of my wallet and

used it.” ██████ was asked if he repaid the \$17.00 back to the government and ██████ stated “I don’t recall. I don’t recall if I did or did not.”

12. On April 2, 2004, ██████ government charge card was charged \$24.01 at the Sunoco in Ocean City. This was ██████ travel day home and was not listed on his travel voucher (see Attachment 17). ██████ stated in the December 19, 2007 interview, “As best as I recall, I believe I drove my personal vehicle there.”
13. On July 4, 2004, ██████ charged \$51.25 at a Safeway store in Fort Washington, Maryland, near his home. During that year, the fourth of July fell on a Sunday, making July 5, 2004 the federal holiday. When ██████ was questioned about this charge during the December 19, 2007 interview, ██████ stated “I don’t recall that charge.” ██████ was asked in the same interview if he had ever purchased anything at that store for government reasons? ██████ responded by saying “I can’t say with certainty that I have or have not.” ██████ has not provided a receipt or any supporting documentation for this charge.
14. On September 19, 2004, ██████ government charge card was charged \$31.00 at the Texaco Station in Fort Washington, Maryland, which is close to his residence. The OIG was unable to find a travel voucher or a receipt for this charge. ██████ did not provide a voucher or receipt for this expense. ██████ stated in the December 19, 2007 interview that he did not recall making the charge.
15. On March 24, 2005, ██████ charged \$77.75 at the Red Star Restaurant in Largo, Maryland. ██████ did not appear to be in travel status during this time. ██████ stated in the December 19, 2007 interview that he did not recall making the charge. However, ██████ did state that he has been to the restaurant before, and was asked if he ever purchased anything at the restaurant for official business. ██████ answered by stating “Not that I recall.” ██████ has not provided any supporting documentation for this charge.
16. On August 5, 2005, ██████ government charge card was charged \$29.00 at Orient CITGO, in Tampa, Florida. On ██████ travel voucher it states he was on government travel for a conference in Orlando, Florida, and this charge was not claimed on his travel voucher (**Attachment 18**). The distance between Orlando, Florida and Tampa, Florida is approximately 83 miles. ██████ stated during the December 19, 2007 interview, “I may have driven down to Tampa for the day or that evening.”
17. On August 7, 2005, ██████ government charge card was charged \$60.00 extra for an upgraded vehicle (see Attachment 18). There was no explanation on his travel voucher for this charge. ██████ stated in the December 19, 2007 interview, “Yeah, they didn’t have any other vehicles, so I had to get an upgrade.”
18. On August 17, 2005, ██████ government charge card was used at Barnes and Noble in Washington, D.C. that totaled \$67.21. During the December 19, 2007 interview, ██████ stated that the charge “would have been books for the office.” ██████ has not provided a receipt for this expense.
19. On August 19, 2005, ██████ charged \$32.84 at a Safeway store in Fort Washington, Maryland, near his home. During the December 19, 2007 interview ██████ stated “I’d have to take a look at this to find out exactly what it was. I’d have to look at the receipt.” ██████ was then asked if

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he has ever gone to Safeway for government business. [REDACTED] replied by stating “yes.” [REDACTED] then stated “Well, I’m not exactly sure if I’ve gone to Safeway, but I have gone to a grocery store for government business before, yes.” [REDACTED] was asked what he purchased and he stated “Small items, maybe paperware and cookies or something like that.” [REDACTED] has not provided any documentation for this transaction.

20. November 9, 2005, [REDACTED] government charge card was used at the Sunoco in Cherry Hill, New Jersey, that totaled \$50.00. The OIG was unable to find a travel voucher. During a December 19, 2007 interview [REDACTED] stated, “That was a travel. And as I recall, that was a trip to New York for the interns in Cherry Hill, New Jersey. That was authorized. I think two vehicles were rented.” [REDACTED] has not provided any supporting documentation for this charge.
21. On March 24, 2006, [REDACTED] government charge card was used in New Orleans, Louisiana, at a Chevron Station for \$43.01. This charge was not listed on his travel voucher (**Attachment 19**). [REDACTED] stated in the December 19, 2007 interview, “I was on travel during that date and had a rental car during that time.”
22. On March 24, 2006, [REDACTED] government charge card was over charged \$169.50 for personal use at the Budget Rent a Car in New Orleans, Louisiana (see Attachment 19). [REDACTED] was asked in the December 19, 2007 interview if he agreed with the e-mail from Benjamin that stated he owed the government \$169.50 for personal use of a rental car (**Attachment 20**). [REDACTED] stated, “Correct.” When [REDACTED] was asked about the personal use of the rental car in the July 12, 2007 interview he stated, “And I paid the discrepancy. And that was arranged before I left. Before I left, Debra and I, [REDACTED] is the travel coordinator, I told [REDACTED] I would be going down early. Whatever the difference is in the car rental, I would pay myself. When I got back, [REDACTED] told me what the difference was.” Benjamin stated that [REDACTED] did not come to [REDACTED] to arrange payment for his personal expenses prior to his official government travel. Benjamin recalled looking at the receipts [REDACTED] submitted to [REDACTED] for travel to New Orleans, where [REDACTED] determined he had used his government credit card to rent a car while he was on personal travel for four days. Benjamin sent [REDACTED] an e-mail on April 6, 2006 telling him he owed the government \$169.50 for the four days of personal use of a rental car.
23. On May 22, 2006, [REDACTED] government charge card was used at Pride of America gas station in Fort Washington, Maryland, totaling \$45.00. The gas station appears to be close to [REDACTED] residence. The same day, [REDACTED] began travel for a conference in Baltimore, Maryland (**Attachment 21**). [REDACTED] also claimed reimbursement for personal miles on his travel voucher. [REDACTED] stated in the December 19, 2007 interview, “That was an inadvertent charge. And I remember that, and I did bring that to my boss’ attention.” [REDACTED] was asked if he repaid the charge to the government and he stated “I believe I did, sir.” According to AOC records [REDACTED] has not repaid this amount.
24. On November 24, 2006, [REDACTED] government charge card was used in Baton Rouge, Louisiana, at an Office Depot store totaling \$71.99. [REDACTED] was on personal travel at the time. In the December 19, 2007 interview [REDACTED] stated, “I believe. And to the best of my recollection, I believe that was for the adapters I needed for my computer. And I still have that, the adapters, and I believe I have a receipt for that. I think that’s what that was for.” When [REDACTED] was asked what the adapters were, [REDACTED] stated, “So that my computer would work in the hotel that I was staying in.” [REDACTED] was then asked if he was on personal time and [REDACTED] stated, “I take

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my computer with me many times when I'm on personal leave." [REDACTED] has not provided any supporting documentation for this charge.

25. On November 28, 2006, [REDACTED] government charge card was charged \$178.00 at the Best Western in Baton Rouge, Louisiana. [REDACTED] was on personal travel during this time.
26. On December 3, 2006, [REDACTED] government charge card was charged \$462.99 at Hertz Rent a car in Baton Rouge, Louisiana. [REDACTED] was on personal travel. NPS auditors found the questionable charge and [REDACTED] repaid the money to the NPS Accounting Operations Center on March 26, 2007 (**Attachment 22**). [REDACTED] stated in the December 19, 2007 interview, "As I told you before, I spoke with Mr. Nessi, told him that I used my charge card while I was out of town inadvertently, and I believe it may have been caused from me using it at the Home Depot to get the adapters first, and just pulled out the wrong charge card. When I got back, I alerted him of it. I sent the check in some times after that. The check came - I was notified that the AOC had not received a check. Sent them back out a check. Notified again that they hadn't received it. I finally got in touch with a person that I knew at AOC, made arrangements to send it directly to their attention, and the account was paid in full."
27. [REDACTED] was asked in the December 19, 2007 interview if he had ever framed any pictures for his NPS office with his government charge card. [REDACTED] stated "yes." It is unknown how many pictures were framed in his office and who the pictures belong to. In an interview with West, [REDACTED] stated [REDACTED] had some personal pictures framed for his NPS office that was charged to his government charge card.

## CELL PHONE USAGE

The OIG reviewed 24 months of [REDACTED] government cell phone usage, from March 2005 to September 2007. After a review of the charges during those 24 months, [REDACTED] exceeded his allotted minutes on his government-issued cell phone by \$2,606.63 (**Attachment 23**). [REDACTED], NPS, was interviewed concerning [REDACTED] cell phone use (**Attachment 24**). [REDACTED].

[REDACTED] stated that there was one time when he spoke to [REDACTED] about going over his allotted minutes on his government cell phone. [REDACTED] said he told [REDACTED] he needed to pay more attention to his cell phone usage. [REDACTED] stated that was the only time he discussed the excessive use of [REDACTED] cell phone minutes with him. [REDACTED] did inform his supervisor of the problem.

The following are charges from [REDACTED] government charge card that appeared to be associated with cell phone purchases that could not be accounted for. [REDACTED] was asked to take a look at these charges and check his records for receipts or authorizations. [REDACTED] responded by e-mail on December 10, 2007 (**Attachment 25**). In the e-mail, [REDACTED] stated the below charges could not be accounted for in his records. [REDACTED] stated that if an employee came to him and requested replacement equipment, [REDACTED] said, "I would normally order it, then issue it on arrival. Users making purchases with their government charge cards would be doing so at their own discretion, for the circumstance of that particular case." [REDACTED] said in the e-mail that the employee's "are supposed to keep the receipts of the purchase along with their charge card statement for review/inspection as necessary." [REDACTED] concluded the e-mail message by stating, "Finally, even if we had suggested a purchase using a person's government charge card, it would have been a one-time occurrence, not

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anything near the number of charges presented with this message.” The following charges were provided to [REDACTED] for his review.

1. On September 13, 2004, [REDACTED] government charge card was charged \$49.97 at Verizon Wireless. [REDACTED] did not provide a receipt for this charge. When asked about this charge, [REDACTED] stated in his December 19, 2007 interview, “I’ll find out who that’s for.”
2. On September 16, 2005, [REDACTED] government charge card was charged \$41.98 at Radio Shack. During the December 19, 2007 interview [REDACTED] stated, “For 41.90 – yeah, and I’m trying to remember what it was but, yeah, it was something for the office, something for the NITC shop. I remember the Radio Shack, yeah.” [REDACTED] did not provide a receipt for this charge.
3. On November 19, 2005, [REDACTED] government charge card was charged \$50.00 at T-Mobile. According to Johnson’s e-mail (see Attachment 25) “I particularly don’t believe that we (Telecomm. Personnel) have ever made any cellular purchases or suggestions/authorizations to anyone to make purchases through T-Mobile (we don’t have an account with them and don’t use their products/services) US Airways, or Best Buy.” [REDACTED] stated in the December 19, 2007 interview, “I’m not certain what that is.” [REDACTED] then stated, “I’m not certain I’ll be able to find a receipt. I’ll need to find out what it is first.” [REDACTED] did not provide a receipt for this charge.
4. On March 24, 2006, [REDACTED] government charge card was charged \$50.00 at “US AIRWA 0372162022223, PHONE SALE.” [REDACTED] has not provided a receipt for this charge. After a review of [REDACTED] travel vouchers during this time period the OIG was unable to find a line item explaining this charge. [REDACTED] stated in the December 19, 2007 interview that, “I have no idea what that is, U.S. Airways phone sale.”
5. On May 25, 2007, [REDACTED] government charge card was charged \$81.17 at Best Buy in Arlington, Virginia. [REDACTED] told the OIG in his first interview on July 12, 2007 that this purchase was for a Bluetooth cell phone headset. [REDACTED] stated in a December 19, 2007 interview that the charge was for an “earpiece, and I notified Jesse that my earpiece had gotten lost and told him I was going to purchase the Bluetooth.” [REDACTED] also stated, “and my boss also signed off on that.” In Johnson’s e-mail dated December 10, 2007 (Attachment 27) he stated, “I particularly don’t believe that we (Telecomm. Personnel) have ever made any cellular purchases or suggestions/authorizations to anyone to make purchases through T-Mobile (we don’t have an account with them and don’t use their products/services) US Airways, or Best Buy.” [REDACTED] did not provide a receipt for this purchase.

## LATE PAYMENTS

### Section 2.13 of the DOI Integrated Charge Card Program Guide (ICCPG) states:

Cardholders must comply with the terms and conditions of the Bank of America Cardholder Agreement (**Attachment 26**), including the timely payment of account balances. When cardholders sign, activate, or use their charge card, they agree to comply with the Agreement. Under the terms of the Agreement between the Department of the Interior employee and Bank of America and the GSA SmartPay contract, payment is due to the bank by the payment due date specified in the cardholder’s

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statement of account.

According to section 1.8.4, of the ICCPPG and the NPS memo on Guidance for Management of Charge Card Program dated September 16, 2006, it is misuse of a government charge card when “Not paying the full amount due on the statement of account by the due date.”

According to Bank of America, [REDACTED] has been past due on his account 36 times (**Attachment 27**). [REDACTED] was questioned on December 19, 2007 concerning the 36 times he was late on paying his government charge card bill. During the interview on December 19, 2007, [REDACTED] was asked whether or not he has ever been delinquent on his government charge card account. [REDACTED] stated, “Sure.” When [REDACTED] was asked how many times he been delinquent he stated, “I’m not certain.” [REDACTED] was provided a copy of the Bank of America report that details the 36 times he had been past due on his account. After [REDACTED] reviewed the statement he stated, “It appears to be my account.” [REDACTED] was asked if he ever told his supervisor that he had problems paying his government charge card bills, [REDACTED] stated, “In those words, no, I have not.”

## REVIEW OF [REDACTED] PERSONAL BANK ACCOUNTS

After a review of the Federal Personnel Payroll System (FPPS), OIG determined that [REDACTED] federal pay was going through direct deposit to a Bank of America account. Additionally, [REDACTED] stated in a July 12, 2007 interview that he banked with Chevy Chase. On August 9, 2007, two OIG subpoenas were issued to [REDACTED] Chevy Chase Bank and Bank of America. The OIG subpoenas requested “all bank statements and records of electronic transfers relating to all accounts of [REDACTED] from July 18, 2002 through July 18, 2007. The investigation determined that [REDACTED] Chevy Chase account was a savings account. Therefore the OIG only reviewed [REDACTED] Bank of America Checking accounts from January of 2004 through July of 2007. The scope of our review was limited to how many times [REDACTED] checking account was in a negative balance, how many times he was charged for returned-item fees and how many overdraft fees [REDACTED] was charged.

For 2004, OIG reviewed 12 bank statements from [REDACTED] Bank of America checking account [REDACTED]. As a result of that review it was determined that [REDACTED] checking account was in a negative balance three times and he was charged overdraft fees 66 times.

For 2005, OIG reviewed 12 bank statements from [REDACTED] Bank of America checking account [REDACTED]. As a result of that review it was determined that [REDACTED] checking account was in a negative balance three times and he was charged overdraft fees 76 times.

For 2006, OIG reviewed 12 bank statements from [REDACTED] Bank of America checking account [REDACTED]. As a result of that review it was determined that [REDACTED] checking account was in a negative balance two times, [REDACTED] was charged for returned item fees three times and he was charged overdraft fees 36 times.

For 2007, OIG reviewed seven bank statements from [REDACTED] Bank of America checking account [REDACTED]. As a result of that review it was determined that [REDACTED] checking account was in a negative balance six times, [REDACTED] was charged for returned item fees 38 times and he was charged overdraft fees nine times. [REDACTED] closed this account in July of 2007.

In 2007, [REDACTED] opened a new Bank of America checking account [REDACTED]. OIG reviewed five bank statements from March 7, 2007 through July 6, 2007. According to records, [REDACTED] was receiving

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his government salary through this account starting in February of 2007. After a review of [REDACTED] new checking account it was determined that [REDACTED] had a negative balance once, he was charged four return fees and had 24 overdraft fees.

After a three and half year review of [REDACTED] Bank of America checking accounts, [REDACTED] was in a negative balance 15 times, [REDACTED] was charged for returned item fees 45 times and he was charged overdraft fees 211 times.

## Purchase Card Documentation

Section 3.9 of ICCPG states:

“Purchase business line cardholders must retain all original receipts and supporting documentation as applicable: to include but not limited to requisitions, receipts, packing slips, statement of accounts, internet confirmation, special approvals, purchase log, and receiving reports for a period of three years after final payment. (See FAR 4.805(b)(4)). All receipts and statements of account must be centrally filed in accordance with Bureau/office policy and be made available for audit or review.”

NPS policy also addresses record retention for purchase card holders (**Attachment 28**). A memo dated September 16, 2006, states:

“Employees who hold government charge cards are required to: Retain invoices/ and monthly billing statements at a central location for three fiscal years.”

As a purchase card holder and Agency/Organization Program Coordinator (A/OPC) for NPS, [REDACTED] was bound by these requirements as stated by DOI policy. In addition, all DOI cardholders are required to take charge card training annually. During interviews conducted with [REDACTED] on July 12, 2007 and December 19, 2007, [REDACTED] confirmed that he had fulfilled the charge card training requirement and completed the online training program (See Attachments 10 and 11). Specifically, during the July 12, 2007 interview, [REDACTED] answered:

[REDACTED] Okay. And have you been in training for the charge card?

[REDACTED] I've done the charge card training.

[REDACTED] And you do it every year?

[REDACTED] Yes.

[REDACTED] also stated that the appropriate documentation of charge card transactions and retention of records is discussed during staff meetings (See Attachment 10).

[REDACTED] So that's an online training that has to be taken once a year. So that training is done at least once a year. We also, in our staff meetings, talk about management and maintenance of receipts and receipts that we use our charge card for.

[REDACTED] Okay. And what's your policy on --?

[REDACTED] The general policy is that each purchase that's made on a charge card, you're supposed to keep the receipt and then hand that receipt over to {Marian Dunn}. We want to make sure that things are captured in our internal system and that [REDACTED] has a record of anything that's purchased on a charge card.

During the interview on July 12, 2007, [REDACTED] was questioned about specific purchases on his charge card. [REDACTED] assured that he would be able to compile the receipts for his purchases (See Attachment 10).

[REDACTED] Some of those things, well, I'll see if Marian has receipts of all of those things. If not, if you'll leave me with what you need, I can get it for you in the next couple days.

On August 22, 2007, an e-mail was sent from [REDACTED] to John Madigan, Supervisor Systems Accountant, Accounting Operations Center (AOC), NPS, with the subject line stating: "Not able to report to Herndon," (**Attachment 29**). In the body of the e-mail [REDACTED] stated, "For the next two weeks, I will be gathering information to satisfy the IG and will not be able to travel to Herndon."

[REDACTED] attorney [REDACTED], who works for [REDACTED], was contacted by OIG agents on August 28, 2007. [REDACTED] was told that [REDACTED] supporting travel and charge card documentation were needed to dispute the allegations against him. [REDACTED] said that he and his client ([REDACTED]) would cooperate fully with the investigation.

On September 21, 2007, OIG received a string of e-mails from [REDACTED] that were titled: "Detail Extended" (**Attachment 30**). In one of the e-mails [REDACTED] tells his acting supervisor, [REDACTED] "I fully intend to be as responsive as possible to all the IG's requests presented to me. The information being requested is located in this office and it only makes sense for me to be where the information is located."

On September 21, 2007, [REDACTED] contacted [REDACTED] [REDACTED] for Whistleblower Protection, concerning the e-mails with his supervisor (see Attachment 30). [REDACTED] also instructed [REDACTED] to provide the requested documentation for which Agent [REDACTED] had been asking. [REDACTED] replied to both [REDACTED] and Agent [REDACTED] by stating, "Just for the sake of clarification, Mr. [REDACTED] has been granted access to all my financial records and I will work with him to provide any other information he is requesting."

Prior to the second interview with [REDACTED] conducted on December 19, 2007, [REDACTED] was again asked to bring documentation supporting the purchases he had made on his government purchase card. Since none of the material discussed with [REDACTED] during the July 12, 2007 interview had been provided to OIG, [REDACTED] requested that [REDACTED] provide the documentation during the December 19, 2007 interview. In a message dated December 7, 2007 from [REDACTED] to [REDACTED], counsel for [REDACTED] (**Attachment 31**), [REDACTED] stated:

"I strongly encourage Mr. [REDACTED] to bring any and all receipts for his government charge card, per DOI regulations."

Case Number: [REDACTED]

During the interview, [REDACTED] provided one three-ring binder containing supporting documentation for his charge card purchases from fiscal year 2004 through 2007. An analysis of the documents revealed that many of the purchase request forms were completed after a purchase had already been made. It is not known by this office if this practice is consistent with NPS or OCIO policy.

Many of the transactions were supported by various documents, but did not have an original receipt, per department regulations, making it difficult to match some documents with transactions from the charge card. As a result, some documents could not definitively be matched with any specific transaction from [REDACTED] charge card statements. Many of the documents provided were duplicates of documents provided elsewhere in the binder, with one set of documents being provided more than twice.

In addition to these issues, it was discovered that the documentation provided by [REDACTED] did not account for a significant amount of the non-travel transactions on his government purchase card (See **Figure 1**). [*Agents Note: These statistics do not include any travel-related expenses incurred by [REDACTED]. None of [REDACTED] lodging, rental car, fuel, cash advance, or meal charges were considered in this count.*]

Fiscal Year	Total Transactions	Accounted For	Not Accounted For	Accounted For %	Not Accounted For %
2007	12	4	8	33%	67%
2006	37	6	31	16%	84%
2005	97	27	70	28%	72%
2004	44	22	22	50%	50%
Totals	190	59	131		

**Figure 1**

From fiscal year 2004 to fiscal year 2007, [REDACTED] only provided documentation for 31% of his purchases (See **Figure 2**).

Total Transactions	
Percent Accounted For	Percent Not Accounted For
31%	69%

**Figure 2**

Case Number: [REDACTED]

As to a total amount of expenditures, [REDACTED] could not account for a significant portion of his charge card transactions (See Figure 3).

Fiscal Year	Total Dollars Spent	Dollars Accounted For	Dollars Not Accounted For	Percent Dollars Accounted For	Percent Dollars Not Accounted For
2007	\$ 3,035.39	\$ 616.65	\$ 2,418.74	20%	80%
2006	\$ 16,496.62	\$ 2,196.32	\$ 14,300.30	13%	87%
2005	\$ 58,336.13	\$ 23,186.44	\$ 35,149.69	40%	60%
2004	\$ 20,795.45	\$ 9,606.65	\$ 11,188.80	46%	54%
Totals	\$ 98,663.59	\$ 35,606.06	\$ 63,057.53		

Figure 3

In total, the documentation provided by [REDACTED] did not account for \$63,057.53 of his total non-travel related spending on his government charge card. This equates to 64% of the total dollars spent by [REDACTED] remaining unaccounted for (See Figure 4).

Total Dollars Spent	
Dollar % Acct. For	Dollar % Not Acct. For
36%	64%

Figure 4

**SUBJECT(S)**

[REDACTED]  
 [REDACTED]  
 Office of the Chief Information Officer  
 National Park Service  
 1201 Eye Street NW  
 Washington D.C.  
 SSN: [REDACTED]  
 DOB: [REDACTED]

**DISPOSITION**

This case will be referred to NPS for administrative action.

**ATTACHMENTS**

1. Initial complaint from [REDACTED]
2. Itemized list of [REDACTED] government charge card charges from Bank of America, from August 2000 to July 2007.
3. Excel spread sheet of the 82 unaccounted charges.
4. IAR-interview of [REDACTED] on July 2, 2007.
5. Copy of an NPS-AOC audit, completed April 2007.

Case Number: [REDACTED]

6. IAR-interview of [REDACTED] on July 16, 2007
7. IAR-interview of [REDACTED] on September 13, 2007.
8. IAR-interview of [REDACTED] on September 26, 2007.
9. IAR-interview of [REDACTED] on October 3, 2007.
10. IAR and Transcription interview of [REDACTED] on July 12, 2007.
11. IAR and Transcription interview of [REDACTED] on December 19, 2007.
12. [REDACTED] Travel Voucher 9910-C-0881, trip to Stone Mountain, GA.
13. [REDACTED] Travel Voucher 9910-C-1181, trip to Baton Rouge, LA
14. [REDACTED] Travel Voucher 2622D1006, trip to Baton Rouge, LA.
15. [REDACTED] Travel Voucher 2622D1001, trip to Shepherdstown, WV.
16. [REDACTED] Travel Voucher 9910-D-1241, trip to Baton Rouge, LA.
17. [REDACTED] Travel Voucher V004OCMD, trip to Ocean City, MD.
18. [REDACTED] Travel Voucher 255OF0070, trip to Orlando, FL.
19. [REDACTED] Travel Voucher 255OG0056, trip to New Orleans LA.
20. Email from [REDACTED] to [REDACTED] dated April 6, 2006.
21. [REDACTED] Travel Voucher 2550G0088, trip to Baltimore, MD.
22. Print out from AOC showing the payment of \$462.99 by [REDACTED]
23. Excel spreadsheet showing the loss of \$2606.63, in exceeded minutes on [REDACTED] Verizon bills.
24. IAR-interview of Jessie [REDACTED] on December 7, 2007.
25. Email from [REDACTED] to SA [REDACTED] on December 10, 2007.
26. Bank of America Cardholder Agreement.
27. Bank of America report showing [REDACTED] charge card account being past due 36 times.
28. NPS memo dated September 16, 2006.
29. Email from [REDACTED] to [REDACTED] dated August 22, 2007.
30. String of Emails from [REDACTED] to [REDACTED], OIG date September 21, 2007.
31. Email dated December 7, 2007, from SA [REDACTED] to [REDACTED], counsel for [REDACTED]



**Office of Inspector General**  
**Program Integrity Division**  
**U.S. Department of the Interior**

**Report of Investigation**

<b>Case Title</b> [REDACTED]	<b>Case Number</b> [REDACTED]
	<b>Related File(s)</b>
<b>Case Location</b> Washington, D.C.	<b>Report Date</b> March 6, 2007
<b>Report Subject</b> Report of Investigation	

**SYNOPSIS**

This investigation was initiated based on an anonymous complaint to the Department of the Interior (DOI) Office of Inspector General's (OIG) hotline regarding [REDACTED] United States Geological Survey (USGS), Lafayette, LA. The complainant alleged that [REDACTED] while [REDACTED] for the Wildlife Program in [REDACTED] VA, misused government travel funds on several trips to [REDACTED] between 2003 and 2005. The complainant further alleged that [REDACTED] may have been involved in the smuggling of [REDACTED] artifacts into the United States while on these trips.

We determined that [REDACTED] did not misuse government travel funds and was not involved with the smuggling of [REDACTED] artifacts into the United States. [REDACTED] overseas travel was approved by several layers of supervisors within USGS and the U.S. State Department. U.S. Customs does not have any incident records regarding [REDACTED] re-entering the country from foreign travel.

Our investigation found that [REDACTED] is not conducting research for USGS on his overseas trips per se, but his role is that of a facilitator of relations between United States and [REDACTED] wildlife/wetlands researchers.

**DETAILS**

The OIG's hotline received an anonymous complaint on December 20, 2006, alleging [REDACTED] was misusing government travel funds to travel to [REDACTED] every 3 months (**Attachment 1**). The complainant further alleged that colleagues of [REDACTED] had seen no indication of research conducted on the [REDACTED] trips, although research is cited as a reason for travel. Additionally, the complainant stated there is a possibility that [REDACTED] smuggled [REDACTED] artifacts into the United States.

We interviewed [REDACTED], USGS [REDACTED] VA, who was identified by the complainant as assisting in the preparation of travel visas at USGS headquarters in [REDACTED] from

<b>Reporting Official/Title</b> [REDACTED]e, Special Agent	<b>Signature</b> [REDACTED]
<b>Approving Official/Title</b> Alan Boehm, Director, Program Integrity	<b>Signature</b> 

**Distribution:** Original - Case File Copy - SAC/SIU Office Copy - HQ Other:

Case Number: [REDACTED]

November 2003 through mid-2006 (**Attachment 2**). [REDACTED] said that as part of [REDACTED] previous duties, [REDACTED] carried visa applications to the [REDACTED] Embassy in Washington, D.C., several years ago for a trip to a watershed conference in [REDACTED], [REDACTED] along with [REDACTED] and several other USGS employees, attended the conference from September 1 through September 8, 2004. [REDACTED] said that during the trip, their party traveled to [REDACTED] in [REDACTED] and to [REDACTED]. [REDACTED] said the purpose of the trip was to share research on natural resource management approaches and to establish collaborations with their [REDACTED] counterparts. [REDACTED] never saw [REDACTED] smuggle anything into the U.S. from that trip. [REDACTED] commented that [REDACTED] has traveled to [REDACTED] several times after that September 2004 conference.

According to [REDACTED] [REDACTED] transferred to the USGS office in Lafayette, LA, in [REDACTED]. [REDACTED] acknowledged that [REDACTED] has heard rumors within USGS headquarters that [REDACTED] may have a few artifacts from his [REDACTED] trips that possibly were not purchasable by the average tourist. [REDACTED] stated that there are a few people in headquarters that are jealous of [REDACTED] and his travels. [REDACTED] also said that the U.S. government encourages U.S. government agency contacts with [REDACTED] counterparts and has provided funding for this purpose.

We interviewed [REDACTED], Biological Resources Discipline, USGS in [REDACTED] VA, who served as [REDACTED] from July 2004 until October 2004, when [REDACTED] accepted another USGS position in Lafayette, LA (**Attachment 3**). [REDACTED] was aware that during September 2004, [REDACTED] and four or five government and non-government employees traveled to [REDACTED] to attend a meeting; they may also have traveled to [REDACTED] during this trip. Authorization for international travel had been granted before [REDACTED] arrival at USGS. [REDACTED] subsequently submitted a travel voucher for his expenses to [REDACTED] for reimbursement. This was the only travel voucher submitted by [REDACTED] while [REDACTED] was [REDACTED]

[REDACTED] described [REDACTED] travel voucher as "questionable" and noted two expenditures that [REDACTED] included for reimbursement. [REDACTED] reportedly submitted a receipt for a "port-a-potty" that had been purchased by a third party and was seeking payment to reimburse that person. He also submitted a receipt for laundry expenses that are were not authorized during international travel. [REDACTED] refused to approve either expenditure, and when they were brought to [REDACTED] attention, [REDACTED] corrected them.

In [REDACTED] opinion, [REDACTED] trip to [REDACTED] in September 2004 was unnecessarily expensive and cost USGS upwards of \$15,000. He was critical of [REDACTED] stating that [REDACTED] frequently changed his travel plans without regard to expense and apparently "did not care how money was spent." According to [REDACTED] USGS receives no funds from outside sources for international travel.

Following [REDACTED] trip to [REDACTED] and China, [REDACTED] heard from a third party that [REDACTED] had brought artifacts into the country and had sold them on e-bay. He had no personal knowledge of what [REDACTED] had brought into the country and, without knowing this, could not say whether [REDACTED] had done anything wrong. [REDACTED] conceded that it is not illegal to purchase souvenirs overseas while on official travel or to sell them on e-bay upon returning to the United States. He identified [REDACTED] as an employee who had traveled with [REDACTED] to [REDACTED] and would be able to provide information regarding allegations that [REDACTED] illegally imported artifacts.

[REDACTED] stated that USGS works collaboratively with the [REDACTED] government and that travel there is sporadic but necessary. However, he felt that [REDACTED] has traveled abroad more than anyone in a similar

Case Number: [REDACTED]

position, averaging an estimated six international trips per year. (*Agent's Note: This claim was found to be unsubstantiated after review of [REDACTED] travel vouchers.*) [REDACTED] noted that [REDACTED] enjoyed the travel, where others in his office do not, and that he is good at building professional relationships abroad. Still, [REDACTED] did not feel that USGS was getting enough in return for [REDACTED] travel.

[REDACTED] also believed that [REDACTED] has made his travel to [REDACTED] part of his duties. From his perspective, he questioned the necessity for such travel, stating that USGS is spending a lot of money and receiving little return. Even after transferring to Louisiana, according to [REDACTED] [REDACTED] has continued to travel to [REDACTED] usually alone, and often includes [REDACTED] in his travel plans on his [REDACTED] trips. On one occasion, he took his [REDACTED] with him on one of the [REDACTED] trips. [REDACTED] commented that the plane ticket for [REDACTED] to [REDACTED] was paid by [REDACTED]. Currently [REDACTED] travel is approved by [REDACTED], the [REDACTED] in the Central Office. Prior to that, it was approved by [REDACTED]. [REDACTED] surmises that [REDACTED] travel to [REDACTED] [REDACTED]

[REDACTED] said he was told that before he arrived at the USGS, there was friction between [REDACTED] and other staff members. [REDACTED] focused his interests on international issues that make up only about 5 percent of his responsibilities. This frustrated fellow staff members. When [REDACTED] arrived at USGS, he advised his staff that international travel would be cut back and travel vouchers would be scrutinized closely. He stated that this declaration may have contributed to [REDACTED] decision to seek a transfer to [REDACTED].

We interviewed [REDACTED], USGS, [REDACTED] VA (Attachment 4). [REDACTED] has been with USGS in [REDACTED] since 2001. [REDACTED] temporarily worked for [REDACTED] for approximately [REDACTED] before becoming [REDACTED] of the Wildlife Program. [REDACTED] had oversight of [REDACTED] and [REDACTED] for [REDACTED] staff. [REDACTED] said [REDACTED] had previously visited [REDACTED] in an official capacity between 2001 and 2002 [REDACTED]

[REDACTED] explained there is an elaborate approval process for overseas travel within USGS. He said the employee wishing to travel must submit a Foreign Travel Certification Form justifying the proposed travel, and this form is approved by the immediate supervisor, forwarded to [REDACTED] office for his approval, sent to the USGS Associate Director's office for signature, and then sent to DOI's External Affairs for final approval. [REDACTED] also said that the State Department must give their approval and the employee must receive "country clearance" from the U.S. Embassy where the employee intends to travel. [REDACTED] commented that his office does not approve every certification form for travel that they receive (Attachment 5).

According to [REDACTED] employees at [REDACTED] level were not always required to conduct research as part of their work duties. [REDACTED] said [REDACTED] was at a point in his career where he is representing the USGS at overseas symposiums, seminars, and conferences. [REDACTED] was establishing foreign contacts and collaborations with scientists from other countries, not necessarily performing research.

[REDACTED] opined that USGS is not getting "a lot of bang for their buck" with overseas travel. He would like to see fewer approvals by supervisors for overseas travel. [REDACTED] stated USGS has a fairly strict policy regarding the use of annual leave while on foreign travel and is aware of the appearance of government employees vacationing at the American taxpayer's expense. Therefore, USGS employees must take less

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annual leave than the number of days they are on official travel (5 days of official travel, can apply for annual leave of 4 days or less). Again, [REDACTED] said these requests for annual leave are not always granted.

We reviewed [REDACTED] overseas travel vouchers from 2002 through 2006. [REDACTED] submitted seven vouchers for travel expenses, all of which were approved by his supervisors.

Program Integrity Division Special Agent [REDACTED] contacted the Department of Homeland Security's Immigration and Customs Enforcement, Washington, D.C. office, regarding [REDACTED] international travel. [REDACTED] found that Customs Declaration Forms are destroyed after 6 months unless they are held for investigatory purposes due to a passenger bringing an item into the country undeclared or prohibited. [REDACTED] said an inquiry into any criminal incidents regarding [REDACTED] met with negative results.

**SUBJECT(S)**

[REDACTED] [REDACTED] USGS, Lafayette, LA

**DISPOSITION**

No further investigative activity is planned or anticipated.

**ATTACHMENTS**

1. Anonymous complaint letter sent to OIG Hotline, dated December 20, 2006.
2. Investigative Activity Report, interview of [REDACTED] dated January 9, 2007.
3. Investigative Activity Report, interview of [REDACTED] dated January 9, 2007.
4. Investigative Activity Report, interview of [REDACTED] dated January 10, 2007.
5. Foreign Travel Certification Forms for [REDACTED] requesting approval for overseas travel.



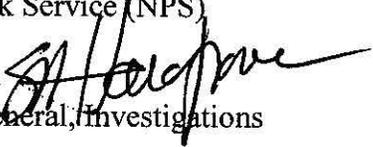
# United States Department of the Interior

OFFICE OF INSPECTOR GENERAL  
Washington, DC 20240

SEP 13 2007

## Memorandum

To: Mary Bomar  
Director, National Park Service (NPS)

From: Stephen A. Hardgrove   
Assistant Inspector General, Investigations

Subject: Management Advisory of Investigative Results-  
Bureau Action and Response Required

Re: Insufficient Internal Controls in place to detect unauthorized transactions  
and billing procedures pursuant to travel cards, DOI-OIG Case No.  
PI-PI-07-0085-I

My office recently conducted an investigation that found that a National Park Service SES employee had received \$7,888.57 in overpayments for travel expenses between May 2006 and February 2007.

The investigation determined the overpayment was caused, in part, by a modification to the employee's travel card account by the contract employee designated as the regional Agency Organization Program Coordinator (AOPC). The AOPC had observed that the employee was exceeding the daily spending limits for authorized travel expenditures on a regular basis that would then necessitate the AOPC to intercede in order to allow charges to go through for the employee. To address the issue of exceeding the limit, the AOPC made modifications to the employee's travel card account which inadvertently caused all travel expenses to become centrally billed.

The investigation clearly established that the SES employee did not direct the change to occur, nor was it the intention of the AOPC to have all travel expenses centrally billed. Regardless, the change was permitted via a telephone call by the AOPC to the Bank of America without any supervisory approval or formal documentation. We believe that the ability to effect a change of this nature, simply by making a telephone call, and without requiring supervisory approval, is a serious control failure that could lead to intentional fraudulent activities. Furthermore, there was no supervisory review regarding the legitimacy of the SES employee routinely exceeding the daily limit.

In addition, there does not appear to be adequate internal controls within NPS to promptly detect and correct such occurrences. The centrally billed items continued for many months while the SES employee continued submitting monthly vouchers for travel expenses that had been paid through central billing. We also discovered that despite being informed of the error and the overpayments, it took several months for NPS officials to remedy the error and to collect the overpayment.

In summary, we recommend the following:

1. Establish policy and practice of reviewing travel and purchase card statements, regardless of pay grade or position.
2. Ensure that adequate internal controls are put in place to prevent modifications to travel or purchase card accounts, including limits, without supervisory review or approval.
3. Improve current procedures on resolving financial matters to ensure prompt and timely actions to recover improper payments and prevent waste.

This matter is forwarded for your review and action. Upon completion of your review, please provide a written response to this office detailing any program, policy, or other changes addressing issues cited in this memorandum. Should you have any questions or need further information, please contact me at (202) 208-5492.



**United States Department of the Interior  
Office of Inspector General**

**REPORT OF INVESTIGATION**

<b>Case Title</b> Hooks, Patricia	<b>Case Number</b> PI-PI-07-0085-I
<b>Reporting Office</b> Washington, D.C.	<b>Report Date</b> August 16, 2007
<b>Report Subject</b> Final Report of Investigation	

**SYNOPSIS**

This investigation was initiated based upon information obtained from a confidential source. The source alleged there were some anomalies with Patricia Hooks' travel vouchers that led to her being overpaid for travel related expenses by several thousands of dollars. The source also asserted that Hooks was aware of the problem and had neither reported it nor attempted to make restitution.

Our investigation discovered that a change to Hooks' travel card account was made to allow her to exceed the daily limit placed on her account. The change, made by NPS contract employee [REDACTED] resulted in an unintended consequence of causing all of Hooks' expenses to be centrally billed. Hooks continued to submit vouchers for her travel expenses which led to her receiving personal reimbursement to her bank account, despite all expenses being paid by the government.

Hooks continued to voucher her expenses and receive reimbursement from month to month, despite not receiving a Bank of America bill with a balance due during this period. In addition, Hooks admitted there was a problem in as early as June or July 2006. Hooks continued to travel pursuant to her official duties and according to NPS officials accrued approximately \$7,888.57 that should have been paid to NPS. Hooks only attempted to make restitution in the middle of January 2007, after she was contacted by our office for an interview. In February 2007, the case was formally declined for prosecution by the U.S. Attorney's Office, District of Columbia.

**BACKGROUND**

Bank of America is the Department of Interior's (DOI) vendor for the charge card program which includes travel and purchase cards. The Bank of America travel card is issued to all DOI employees with job related travel requirements. DOI policy (**Attachment 1**) requires the cardholder to complete

Reporting Official/Title [REDACTED]/Special Agent	Signature
Approving Official/Title Alan Boehm/Director, Program Integrity Division	Signature

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annual training regarding the proper use and maintenance of the charge card. The electronic system used to track charge card expenditures is called the Electronic Accounting Government Ledger Systems (EAGLS). According to [REDACTED] the current individual responsible in part for the charge card program in the southeast regional office NPS, indicated that NPS follows DOI policy. NPS has provided a memorandum dated September 18, 2006 to serve as guidance for Management pursuant to the charge card program (**Attachment 2**). DOI/NPS policy states in part that all employees must review their monthly Bank of America statements within five days of receipt and then sign and date and submit for supervisor review.

Centrally billed is a term to describe a category of purchases directly billed to the government. The two categories of transactions are centrally billed items, also known as (a.k.a.) “memo” items, and individually billed items a.k.a. purchases and other charges both located on the Bank of America statement. Generally speaking, the lists of authorized centrally billed transactions are provided for in agency guidelines. Some examples of NPS properly centrally billed items include costs for airline tickets, car rental, and parking fees.

### **DETAILS OF INVESTIGATION**

On December 8, 2006, the Office of Inspector General (OIG) received information from a confidential source that reported some anomalies with NPS Regional Director Patricia Hooks’ travel vouchers that led to her being overpaid for travel expenses by several thousand dollars. The source also asserted that although Hooks was aware of the problem, she had not reported it or made any effort to make restitution.

A review of Hooks’ travel card account was conducted by the NPS Comptroller’s office at the request of the OIG in December 2006. The review included an examination of Hooks’ travel vouchers during the period of February 2006 through November 2006. It was discovered that Hooks had been overpaid by approximately \$4,700 as of early December 2006 (**Attachments 3 & 4**). The cause of the overpayment was described as a change to an option set within the travel account controls which resulted in having all of Hooks’ travel expenses centrally billed.

According to Bank of America, the option set was changed on May 3, 2007 (**Attachment 5**), by [REDACTED] [REDACTED] for NPS, southeast regional office. In this position, [REDACTED] was designated as the agency/organization program coordinator (AOPC). When interviewed, [REDACTED] provided the following information regarding Hooks’ travel card account.

[REDACTED] said [REDACTED] changed the option sets governing Hooks’ travel card in early May 2006 (**Attachment 6**). According to [REDACTED] Hooks was having problems with her card exceeding daily limits. According to [REDACTED] the daily limits were being exceeded in a number of different ways. One example provided occurred when Hooks scheduled a trip and the ticket was issued by Carlson Wagonlit Travel but due to last minute schedule changes, Hooks or her staff cancelled the purchased ticket and bought new tickets based on the itinerary changes. Bank of America takes several business days to post the refunded amount. Because of this, the total charges for a particular day can, on occasion, exceed the daily limit.

[REDACTED] reported that sometimes [REDACTED] was contacted by [REDACTED] after hours to make adjustments in Hooks’ travel account to allow for [REDACTED] to exceed the daily limit. This action was described as “forcing a charge”. As a result, [REDACTED] researched the problem and believed [REDACTED] found a solution by

employing a different option set in Hooks' travel card account controls. [REDACTED] stated that [REDACTED] told Hooks and Hooks' staff of [REDACTED] findings including [REDACTED] SERO, NPS, and [REDACTED], lead AOPC for NPS. No one objected and furthermore they seemed pleased that there wouldn't be any more disruptions. [REDACTED] called Bank of America on May 3, 2006 to make the change.

When [REDACTED] was told that by changing the option set it resulted in having all of Hooks' transactions centrally billed [REDACTED] exclaimed, "She (Hooks) probably hates me because of this mess. ..." When asked to explain why [REDACTED] thought that, [REDACTED] continued and said that Hooks would have had to transfer each incorrect charge individually. [REDACTED] opined that Hooks would have noticed that something was wrong almost immediately when there was no balance due on [REDACTED] Bank of America card statement.

We examined Hooks' Bank of America statements for the affected period of time and noted that the statements reflected a credit with zero balance due. In order to highlight [REDACTED] assertion and our subsequent analysis see the inserts below. Scanned in are copies of the Master File Account Code of Hooks' Bank of America statements for March 2006 (before the option set change) and August 2006 (after the option set change).

	March 2006	August 2006
1. Previous Balance	\$1,110.65	\$00.93 Credit
2. Purchases & other charges/ Individually Billed	\$ 714.10	\$00.00
3. Payments	\$1,618.65	\$00.00
4. New Balance	\$ 206.10	\$00.93 Credit
5. Memo items/ Centrally Billed	\$2,519.51	\$2,844.18

**Hooks' Bank of America Statement- March 2006**

[REDACTED] MASTER FILE ACCOUNT CODE					ACCOUNT SUMMARY	
					PREVIOUS BALANCE	\$ 1,110.85 ← 1
AGENCY CODE					PURCHASES & OTHER CHARGES +	714.10 ← 2
TAX EXEMPT #					CASH ADVANCES	
*** CITY PAIR PROGRAM PARTICIPANT ***					/ATM +	0.00
ITEMIZED BALANCE	PREVIOUS BALANCE	CURRENT BALANCE	ACCOUNT NUMBER		OVERLIMIT FEE +	0.00
PURCHASES	\$ .00	\$ .00	[REDACTED]		CREDITS -	0.00
CASH ADVANCES	\$ .00	\$ .00			PAYMENTS -	1,618.65 ← 3
Balance Subject To Finance Charge	DAILY PERIODIC RATE	ANNUAL PERCENTAGE RATE	FINANCE CHARGE (ITEMIZED)	MONTHLY CREDIT LIMIT	LATE PAYMENT CHARGES +	0.00
Computation code: See reverse side				\$ 65,500.00	SERVICE FEES +	0.00
PURCHASES				SINGLE PURCHASE LIMIT	CONVENIENCE CHECKS +	0.00
A \$ .00	.000000%	.00%	\$ 0.00		TRAVELERS CHECKS +	0.00
CASH ADVANCES					PHONE TRANSACTIONS +	0.00
B \$ .00	.000000%	.00%	\$ 0.00	\$ .00	FINANCE CHARGE	0.00
STATEMENT DATE: MAR 19, 2006					NEW BALANCE =	\$ 206.10 ← 4
PAYMENT DUE DATE	MINIMUM PAYMENT DUE	AVAILABLE CREDIT	NUMBER OF DAYS IN BILLING CYCLE		INTERAGENCY CHARGES	0.00
APR 11, 2006	\$ 206.10	\$ 65,293.90	28		MEMO ITEMS	2,519.51 ← 5
Mail BANK OF AMERICA Payment To: PO BOX 80075 CITY OF INDUSTRY, CA 91716					Bankcard GOVERNMENT CARD SERVICES Center: PO BOX 1537 NORFOLK VA 23501-1637	
NOTICE: SEE REVERSE SIDE FOR IMPORTANT INFORMATION						

**Hooks' Bank of America Statement- August 2006**

MASTER FILE ACCOUNT CODE				ACCOUNT SUMMARY	
[REDACTED]				PREVIOUS BALANCE	\$ 0.93 CR ← 1
AGENCY CODE				PURCHASES &	
TAX EXEMPT #				OTHER CHARGES +	0.00 ← 2
*** CITY PAIR PROGRAM PARTICIPANT ***				CASH ADVANCES	
ITEMIZED BALANCE	PREVIOUS BALANCE	CURRENT BALANCE	ACCOUNT NUMBER	/ATM +	0.00
PURCHASES	\$ .00	\$ .00	[REDACTED]	OVERLIMIT FEE +	0.00
CASH ADVANCES	\$ .00	\$ .00		CREDITS -	0.00
Balance Subject To Finance Charge	DAILY PERIODIC RATE	ANNUAL PERCENTAGE RATE	FINANCE CHARGE (ITEMIZED)	MONTHLY CREDIT LIMIT	PAYMENTS -
Computation code: See reverse side				\$ 65,500.00	0.00 ← 3
PURCHASES				SINGLE PURCHASE LIMIT	LATE PAYMENT CHARGES +
A \$ .00	.00000000%	.00%	\$ 0.00		0.00
CASH ADVANCES					SERVICE FEES +
B \$ .00	.00000000%	.00%	\$ 0.00		0.00
STATEMENT DATE: AUG 19, 2006				CONVENIENCE CHECKS +	0.00
PAYMENT DUE DATE	MINIMUM PAYMENT DUE	AVAILABLE CREDIT	NUMBER OF DAYS IN BILLING CYCLE	TRAVELERS CHECKS +	0.00
N/A	\$ .00	\$ 65,500.00	31	PHONE TRANSACTIONS +	0.00
Mail BANK OF AMERICA				NEW BALANCE =	\$ 0.93 CR ← 4
Payment To: PO BOX 60075				INTERAGENCY CHARGES	0.00
CITY OF INDUSTRY, CA 91716				MEMO ITEMS	2,644.18 ← 5
Call Customer Service For Toll-free Worldwide: 1-800-472-1424				DISPUTES	0.00
Reporting Lost or Stolen Cards: Collect: 1-757-441-4124					
Bankcard GOVERNMENT CARD SERVICES Center: PO BOX 1637 NORFOLK VA 23501-1637					

**(Attachment 7)**

As demonstrated in these examples, the March 2006 statement reflected that Hooks had a previous balance, incurred individually billed charges, did make a previous payment and did have a current balance which according to policy was due in full by April 11, 2006. Hooks' travel card was modified May 3, 2006. While Hooks continued to travel intermittently throughout that summer, the August 2006 statement was oddly different. In the respective data boxes and unlike the March statement: 1. no previous balance, in fact there was a \$0.93 credit, 2. no individually billed charges, 3. Hooks had not made a previous payment, and 4. no balance, but rather a credit. In summary, Hooks was traveling but did not have to make a monthly charge card payment.

The facts surrounding this investigation were summarized in an interim report of investigation and presented to [REDACTED] from the District of Columbia and subsequently declined for criminal prosecution on February 6, 2007 (**Attachment 8**).

Patricia Hooks, Regional Director, Southeast Region, National Park Service was initially contacted by the OIG for an interview on January 12, 2007, approximately 1 month after receiving the allegations. However, Hooks did not make herself available to be interviewed until February 22, 2007 (**Attachment 9**). During this interview Hooks stated that she became aware of the billing error as early as June or July 2006. When asked how she addressed the problem she said,

"...I have asked [REDACTED] to personally review the vouchers, starting back in I guess around July or June (2006) or something like that when I first discovered that there was a concern on my part. I did not personally review the vouchers, because I would have to pretty much learn how to prepare them to understand it. So I didn't sit down and learn how to prepare the voucher to check behind [REDACTED] I asked [REDACTED] back at that period of time to pull up the vouchers and check to make sure that they had been prepared correctly and that there weren't any

concerns with them...”

According to Hooks this checking and rechecking continued for a couple of months. Hooks challenged [REDACTED] during this time with respect to [REDACTED] accuracy in completing the vouchers. Hooks was assured by [REDACTED] that everything was correct and the error must be a Bank of America problem. Hooks asserted that she was a very busy individual who traveled as much as several times a month and while this issue was on her radar screen it was only addressed about once a month. According to Hooks, she was reminded of the unresolved issue when she reviewed the statement each month. Hooks further explained she knew there was a problem when she didn't see a balance on her Bank of America statement.

A few months went by and no progress had been made in resolving the matter. In approximately August 2006, Hooks said she called the Bank of America. Hooks terminated the call with Bank of America without resolution because the customer service representative asked her about codes. In Hooks' words:

I just called the general number, and I said, “There's a problem with the billing for my account, and I need you to correct it, because you're supposed to be billing me for things you're not billing me for” is what I said. The lady put me on hold and came back and said, “Do you know what your” –some kind of code – “is supposed to be?” – and something, something about a code. I immediately ended the phone call, because I didn't know what she was talking about. I said, “Ma'am, I don't want to waste your time or mine. I have no idea what you're talking about. I'll have someone else call you.” Again, it wasn't an alarming issue. It was a billing statement problem to me. I didn't understand what she was talking about. I wasn't going to be able to correct it.

According to Bank of America records, they were not able to locate any notes in the “event log journal” for Hooks during August or September 2006 (**Attachment 10**).

According to Hooks, sometime in September or October 2006 (**Attachment 9**), she gathered the Bank of America statements and gave them back to [REDACTED]. She asked [REDACTED] to “give this situation some urgency” and to take them to someone in the contracting office to get some resolution.

[**Agents Note:** According to interviews with other witnesses including [REDACTED] they had not yet gotten involved during this time. Our investigation revealed that the earliest corroborated involvement in this matter was by [REDACTED] in November 2006 (**Attachment 11**). According to [REDACTED] [REDACTED] became involved in this matter on November 28, 2006 and stated that [REDACTED] consulted with [REDACTED] and [REDACTED] (**Attachment 11 & 16**). According to [REDACTED] [REDACTED], NPS, [REDACTED] became involved with this matter on or about January 17, 2007 (**Attachment 17**). [REDACTED] contract employee, Administrative Assistant and AOPC, SERO, NPS stated that [REDACTED] got involved with the matter in the middle of January 2007 (**Attachment 18**).]

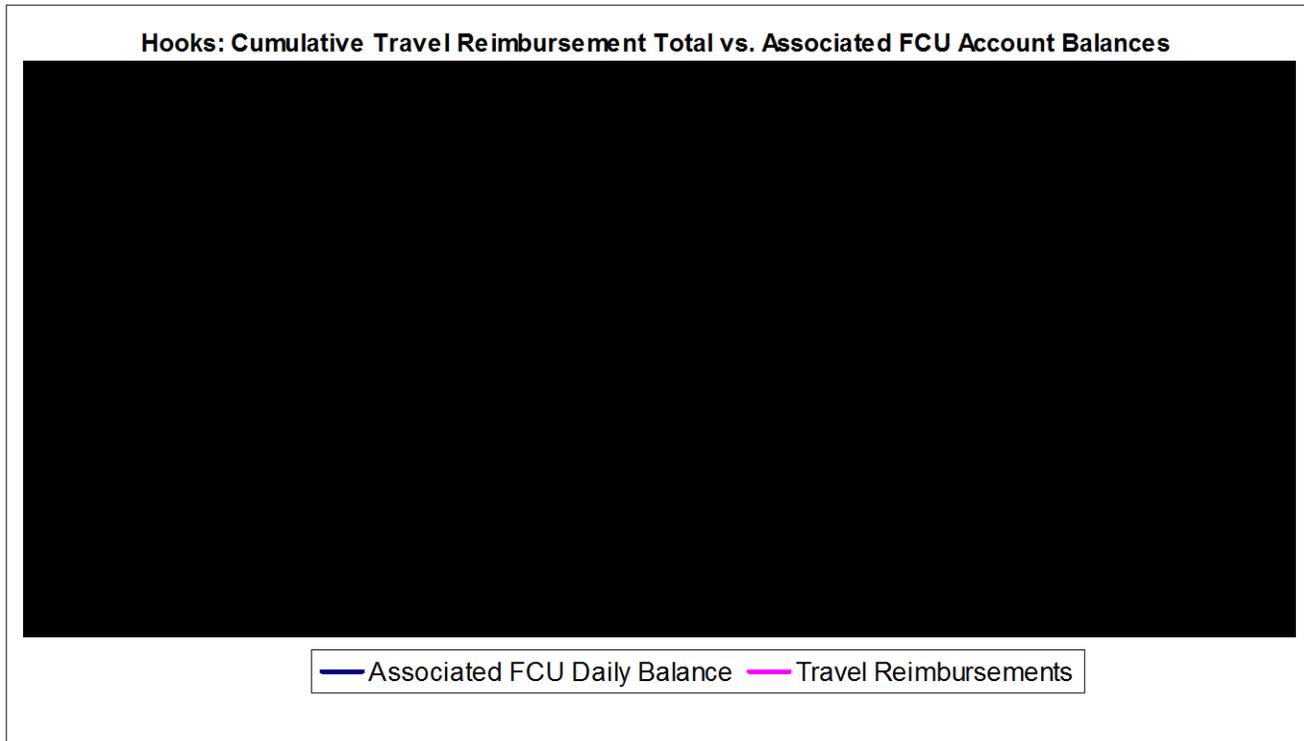
A timeline was prepared to highlight significant dates and actions as reported by Hooks and other witnesses. This attachment uniquely illustrates the inconsistencies surrounding undisputed facts discovered during the investigation (**Attachment 14**). The chart also shows a comparison between the daily balance of Hooks personal account and the cumulative deposits from travel reimbursements.

Results of this analysis will be expounded upon later in the report.

When interviewed, Hooks was asked if she had other sources of income being deposited into the Credit Union account besides salary and travel reimbursements she responded, “I do not know the answer to the question...I do know that I have investment property, and that I never made a conscious effort to keep funding separate for my pay, for travel deposits, and for my investments (**Attachment 9**).”

A review of Hooks personal bank account records was conducted to determine the average balance and whether the improper travel reimbursements had been used by Hooks. The bank account to which she received her travel reimbursements reflected daily balances ranging from \$95 to \$10,000. We noted that the November 2006 balance was exceptionally low (**Attachment 12**) and while the account was not overdrawn, there was not a single day that month where she carried a balance high enough, if called upon, to make full restitution to the government. This fact seems to corroborate ██████ recitation of Hooks’ comment, “...I don’t have the money to pay it back (**Attachment 11**).”

A review of Hooks’ bank records did not reveal any evidence to support Hooks’ assertion that additional money was flowing into her account in a manner that might mask its origins or fail to note the additional deposits. A comparison was made of Hooks’ FCU daily account balance to the cumulative deposits made from the travel voucher reimbursements (**Attachments 12-14**). The chart below illustrates that except for the overpayments from the government, Hooks might have overdrawn this account. Additional analysis revealed that Hooks did spend government funds over the course of at least seven different “periods of time” before ██████ attempted to make restitution on approximately January 19, 2007.



[**Agents Note:** “Periods of time” simply refers to a period of time: a day, several days or over the course of a month (November 2006), where Hooks’ daily balance dropped below the cumulative

amount that should have been available and untouched in Hooks' account. The funds should have been available because payments were made to Hooks in error; and should have been retrievable if or when either Hooks or NPS figured out the discrepancy and restitution was initiated or requested.]

The investigation revealed that Hooks' only effort to make restitution was in the middle of January 2007, after she was contacted for an interview. On January 19, 2007, Hooks submitted a check to Bank of America in the amount of \$7,850 as incorrectly directed to do so by [REDACTED]. According to NPS records, the Bank of America subsequently submitted two checks to NPS totaling \$7,470.55 on May 11 and June 28, 2007 (**Attachment 15**). [**Agents Note:** the restitution was owed to the government not Bank of America.]

When interviewed (**Attachments 11 & 16**), [REDACTED] executive assistant to Hooks, stated that [REDACTED] first became aware of the Hooks' travel card account problem on or about November 28, 2006, when Hooks showed [REDACTED] a copy of [REDACTED] October 2006 Bank of America statement. According to [REDACTED] [REDACTED] immediately queried Electronic Account Government Ledger System (EAGLS) to conduct a review of Hooks' card activity (**Attachment 19**). The query date on these printed records was November 28, 2006. [**Agents Note:** EAGLS is the system used to track transactions from the Bank of America travel card.]

[REDACTED] along with other administrative staff reviewed Hooks' travel documents. [REDACTED] review did not reveal the source of the problem except [REDACTED] could say with some certainty that it appeared like a billing problem and noted that all of the charges were being centrally billed. [REDACTED] contacted [REDACTED], NPS, to see what should be done next. [REDACTED] advised [REDACTED] to contact the AOPC, [REDACTED] (**Attachment 11 & 16**). According to [REDACTED] the next day, [REDACTED] advised Hooks that there was a problem with her account and that [REDACTED] would work with them to straighten it out. [REDACTED] said Hooks responded something like, "It's bad, it's bad. I need to get with [REDACTED] to fix this." According to [REDACTED] Hooks was very upset and then stated, "I have gotten a couple of these statements. I don't know how far it goes back. I don't have the money to pay it back." [REDACTED] neither indicated nor characterized that Hooks was in any way trying to get out of paying the money back but that Hooks was overwhelmed by not knowing how much money they were talking about.

When [REDACTED] was interviewed (**Attachment 17**) [REDACTED] stated that [REDACTED] became involved in this particular matter on January 17, 2007 when [REDACTED] was contacted by [REDACTED] regarding Hooks' travel card issues. [REDACTED] stated that when this issue was brought to [REDACTED] attention [REDACTED] worked diligently with [REDACTED] to bring this issue to a logical conclusion. [REDACTED] admitted to initially telling Hooks the wrong place to submit the restitution check. When [REDACTED] communicated the corrected information, Hooks asked for clarification and instructions in writing. [REDACTED] acknowledged that [REDACTED] failed to follow through with this request and did nothing.

According to [REDACTED] (**Attachment 18**), sometime in January 2007, [REDACTED] and [REDACTED] came to [REDACTED] to find out what [REDACTED] thought the problem was with Hooks' travel card. [REDACTED] reviewed Hooks' records back to 2005 and discovered that in March 2006 all of Hooks' transactions were posting as centrally billed items.

[REDACTED] wrote a memorandum dated January 17, 2007 (**Attachment 20**) telling Hooks that due to a modification in [REDACTED] option sets it caused a total of \$7,840.81 to be incorrectly paid to Hooks' personal account. [REDACTED] also told Hooks that [REDACTED] had spoken with Bank of America representative [REDACTED]

██████████ regarding the matter and was advised by ██████████ to have the NPS Bureau lead, ██████████ contact the Bank of America to initiate the change. ██████████ informed ██████████ that Hooks should make that payment to NPS. As noted above, ██████████ initially provided Hooks with the wrong information.

According to ██████████ ██████████ conducted another review at Hooks' request in the beginning of February 2007 where ██████████ discovered that the problem still existed and Hooks' had accumulated approximately \$1,138 in additional charges that were inadvertently centrally billed. ██████████ was able to rectify the problem and subsequently that account was closed.

### ***Training and Experience***

According to Hooks, since her appointment to the position as Regional Director she has been a frequent traveler. Hooks has historically demonstrated good fiscal responsibility with respect to her charge card and regularly made her payments on time. Hooks said that she has successfully completed whatever training is required as a charge card holder.

A review of Hooks' official personnel file depicted an individual who has significant relevant work experience and earned her position as a Senior Executive Service in the capacity of Regional Director of the Southeast Region for the NPS in approximately 2003 after having served in "acting" capacity. According to ██████████ ██████████, NPS, it is not official policy to maintain training records in a federal employee's official personnel file but it is common to list training on job applications. A review of Hooks' personnel folder found she was required to complete a series of executive core qualifications based on her work experiences highlighting her abilities as being results driven, having business acumen and having knowledge of budgetary issues (**Attachment 21**).

### **SUBJECT(S)**

Patricia Hooks, Regional Director, Southeast Region, National Park Service

### **DISPOSITION**

In February 2007, the Assistant U.S. Attorney's Office for the District of Columbia declined criminal prosecution in lieu of available administrative remedies. This matter will be forwarded for consideration of administrative action as deemed appropriate.

### **Attachments**

1. DOI policy on Integrated Charge Card Usage
2. NPS memorandum dated September 18, 2006 re: Guidance for Management of Charge Card Program
3. Case opening document containing analysis and supporting documentation from NPS
4. IAR, interview of ██████████ ██████████ Accounting Center, NPS on December 18, 2006

5. Bank of America correspondence indicating date, time, action and responsible party
6. IAR, interview of [REDACTED] on January 10, 2007
7. Hooks March and August 2006 Bank of America statement
8. AUSA declination letter dated February 6, 2007
9. Copy of transcript of interview of Patricia Hooks on February 23, 2007
10. Email dated March 6, 2007 from Bank of America representative stating no record.
11. IAR, first interview of [REDACTED] on January 10, 2007
12. Copy of Hooks credit union bank records
13. Hooks' supplemental Travel Vouchers, Authorizations and Bank of America EAGLS records and travel card statements used to support chart. (These records are supplemental to those contained in attachments 3 & 19)
14. Copy of OIG chart reflecting comparison between Hooks' daily credit union account balance and the Electronic Funds Transfers that were being overpaid and the conflicting timelines when certain events took place.
15. Email from [REDACTED] dated June 26, 2007. Fedex package from [REDACTED] containing supporting documentation obtained from [REDACTED] and a cover email highlighting the contents of the package.
16. IAR, second interview of [REDACTED] on March 20, 2007
17. IAR, interview of [REDACTED] on March 15, 2007
18. IAR, interview of [REDACTED] on March 15, 2007
19. Copy of dated EAGLS records queried by [REDACTED] regarding Hooks
20. Memorandum dated January 17, 2007 from [REDACTED] to Hooks advising her of the situation with respect to her government travel card
21. Partial copy of Hooks' personnel file



# United States Department of the Interior

OFFICE OF INSPECTOR GENERAL  
Washington, DC 20240

JAN 5 2009

## Memorandum

To: Lyle Laverty  
Assistant Secretary, Fish, Wildlife and Parks

From: *For:* [Signature]  
Stephen Hardgrove  
Assistant Inspector General of Investigations

Subject: Report of Investigation— [REDACTED]

The Office of Inspector General recently concluded an investigation based on allegations provided by a confidential source that [REDACTED] for Fish, Wildlife and Parks, engaged in travel fraud when he served in his previous position of Associate Solicitor of Indian Affairs. Specifically, it was alleged that he scheduled official government travel to San Francisco, CA, to visit his girlfriend.

A review of [REDACTED] travel vouchers showed that during a September 2007 trip to Ashland, OR, he stopped in San Francisco before returning to Washington, D.C. Attached to this voucher was a personal check from [REDACTED] to the Department for \$1,197.16 for expenses incurred during the San Francisco portion of the trip.

When we first interviewed [REDACTED] he said he did not have a girlfriend in San Francisco, and during our second interview he refused to comment on whether he had a girlfriend in San Francisco. After we received a declination from the U.S. Attorney's Office, we provided [REDACTED] with an Employee Compelled Interview Notice (Kalkines warning) and attempted to interview him a third time. [REDACTED] refused to speak with us but said he would consider speaking with us after he sought guidance on the Kalkines warning. After you directed him to speak with us, we met with [REDACTED] a fourth time and he provided the name of his female friend who resides in California, but maintained that [REDACTED] was not his girlfriend. [REDACTED] also said that this female friend was not in San Francisco during his September 2007 trip. During all of our interviews with [REDACTED] he has stated that the purpose of his trip was to speak with a [REDACTED] about the possibility of a conference on Indian Law.

We are providing this report to you for whatever administrative action you deem appropriate. Please send a written response to this office within **90 days** advising of the results of your review and actions taken. Also enclosed is an Investigative Accountability form, please complete this form and return it with your response. Should you need additional information concerning this matter, you may contact me at (202) 208-5492.

Attachment



**United States Department of the Interior  
Office of Inspector General**

**REPORT OF INVESTIGATION**

<b>Case Title</b> [REDACTED]	<b>Case Number</b> [REDACTED]
<b>Reporting Office</b> Program Integrity Division	<b>Report Date</b> December 31, 2008
<b>Report Subject</b> Closing Report of Investigation	

**SYNOPSIS**

This investigation was initiated based upon a complaint provided by a confidential source that alleged [REDACTED] for Fish, Wildlife and Parks, engaged in travel fraud while in his previous position as the Associate Solicitor of Indian Affairs. Specifically, the complaint alleged that [REDACTED] scheduled official government travel to [REDACTED] CA, to visit his girlfriend.

A review of [REDACTED]'s travel vouchers showed that during a September 2007 trip to Ashland, OR, [REDACTED] stopped in [REDACTED] for the weekend before returning to Washington, D.C. [REDACTED] reimbursed the Department for \$1,197.16 for this portion of the trip, which included expenses for airfare, travel agent fees, and a rental car.

When we first interviewed [REDACTED] he said he did not have a girlfriend in [REDACTED]. During our second interview, [REDACTED] refused to comment on whether he had a girlfriend in [REDACTED] but stated he went there to meet with a Stanford University professor to discuss a possible conference on Indian Law. He said the reason he had to reimburse the government was because his secretary made a clerical error when processing his paperwork for this trip.

The U.S. Attorney's Office declined this case due to available administrative remedies. We presented the Employee Compelled Interview Notice to [REDACTED] and it was explained to him that this was a compelled interview and his refusal to cooperate could be used against him in a disciplinary action. [REDACTED] left the interview and said he would consider talking to us after he sought guidance. Several days later, [REDACTED] was directed by his supervisor to speak with us and when interviewed finally provided the name of his female friend who resides in California, who he still maintained was not his girlfriend. [REDACTED] said [REDACTED] was out of the country during his trip to [REDACTED]. This report is being forwarded to the Assistant Secretary of Fish, Wildlife and Parks for whatever action he deems appropriate.

Reporting Official/Title [REDACTED]/Special Agent	Signature
Approving Official/Title Alan Boehm/Director, Program Integrity Division	Signature

Authentication Number: 07F8133597173ED7B5FE083243D5CBED

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### DETAILS OF INVESTIGATION

On September 7, 2008, we initiated this investigation based upon information provided by a confidential source that [REDACTED] of Fish, Wildlife, and Parks, committed travel fraud when he was the Associate Solicitor of Indian Affairs. The confidential source alleged that [REDACTED] made official government travel arrangements so that he could visit his girlfriend in [REDACTED] CA. [REDACTED] was the [REDACTED] from [REDACTED] through [REDACTED] and was then transferred to his current position of [REDACTED] of Fish, Wildlife, and Parks.

A review of [REDACTED]'s travel vouchers showed that on [REDACTED], 2007, he traveled to Ashland, OR; on [REDACTED], 2007, he traveled to [REDACTED] CA; and then on [REDACTED], 2007, [REDACTED] traveled back to Washington, D.C (**Attachment 1**). Attached to his travel voucher were two separate itineraries: the first, listed him flying out of Oregon on [REDACTED] 2007; and the second, showed his altered itinerary where he left Oregon on [REDACTED], 2007. Both itineraries showed that [REDACTED] did not have accommodations reserved for his time spent in [REDACTED]. Also attached to his travel voucher was a personal check he wrote to the Department of the Interior for \$1,197.16.

When we interviewed [REDACTED] Associate Solicitor of Administration, he explained that he has been delegated by Solicitor [REDACTED] with the responsibility of approving travel vouchers for all of the executives within the Office of the Solicitor (**Attachment 2**). [REDACTED] said that before he receives the travel vouchers, [REDACTED] Executive Assistant to the Solicitor, reviews them. [REDACTED] said that when [REDACTED] was reviewing [REDACTED]'s voucher for his trip to Ashland, OR, and [REDACTED] CA, [REDACTED] noticed that the voucher included personal travel. [REDACTED] and [REDACTED]'s support staff conducted a cursory analysis of the voucher and identified charges [REDACTED] made that were personal. [REDACTED] provided an analysis that showed a difference of \$1,197.16 between authorized and unauthorized charges incurred by [REDACTED] on this trip (**Attachment 3**). The unauthorized charges included airfare, travel agent fees, and rental car expenses for the portion of the trip to [REDACTED]. The analysis also showed that they considered Thursday, September 13, 2007 as [REDACTED]'s "East Day of Duty."

*Agent's Note: When we interviewed [REDACTED] [REDACTED] said that [REDACTED] first noticed there were problems with this voucher because the travel authorization dates of travel didn't match the travel voucher dates of travel (**Attachment 4**).*

[REDACTED] said that ultimately he ([REDACTED] decided that [REDACTED]'s travel to [REDACTED] was not official government business (**Attachment 5**). [REDACTED] was aware that [REDACTED] went to [REDACTED] to discuss with Stanford University officials about the planning of a potential conference; however, [REDACTED] thought that those discussions could have occurred over the telephone. [REDACTED] said that in discussing this trip with [REDACTED] he got the impression that [REDACTED] spent time with a female with whom he had a romantic relationship. Since there wasn't a hotel receipt for [REDACTED] trip to [REDACTED] [REDACTED] said, "Yeah, I think he stayed with friends, and whether it was [the female he was in a romantic relationship with] or somebody else, I don't recall, which sort of lent in my mind credence to the view that it was a personal trip of some sort." [REDACTED] said he thought he made it clear to [REDACTED] that he had to reimburse the government because the portion of the trip to [REDACTED] was not official government business. [REDACTED] thought he provided [REDACTED] with a copy of the analysis where they concluded he owed \$1,197.16.

Case Number: [REDACTED]

When we interviewed [REDACTED] of Indian Affairs, [REDACTED] said that [REDACTED] met [REDACTED]'s girlfriend when he brought [REDACTED] to the Main Interior Building in December 2007 (Attachment 6). [REDACTED] said that [REDACTED] and his girlfriend also hosted a [REDACTED] in [REDACTED] and, although [REDACTED] didn't attend, several colleagues attended and met the girlfriend. [REDACTED] said that [REDACTED] heard this girlfriend lived in the [REDACTED] bay area. [REDACTED] also recalled [REDACTED]

When we first interviewed [REDACTED] he said that the main purpose of the trip to Oregon was to attend a [REDACTED] meeting (Attachment 7). He said that after two days in the meeting the majority of the business had been discussed and there were concerns by some of the attendees that his presence at the meeting was not needed. Based on this, [REDACTED] said he decided to leave early and rescheduled his departure from Oregon to [REDACTED] to Thursday instead of Friday. [REDACTED] said this resulted in having a new airline ticket issued for his travel to [REDACTED]

[REDACTED] said he went to [REDACTED] to meet with Professor [REDACTED] from Stanford University about the possibility of Stanford hosting an Indian Law Conference. [REDACTED] said that based on the lack of previous annual funding for Division of Indian Affairs (DIA), it had been some time since DIA had a conference. The idea of getting the university involved would assist in raising monies in order to reduce the cost of the law conference for some or all of the attendees. [REDACTED] related that he had discussed this plan in general with [REDACTED] but could not recall if he specifically told [REDACTED] that his trip to [REDACTED] was to discuss the possibility of a conference with a Stanford official.

*Agent's Note:* [REDACTED]

When asked why there wasn't a receipt for a hotel in [REDACTED] [REDACTED] said he did not recall where he stayed but said there was a possibility that he stayed with [REDACTED]. He said he had several friends in the [REDACTED] area as he attended both the [REDACTED] and [REDACTED] y. When asked if he stayed with his girlfriend in [REDACTED] [REDACTED] said he did not have a girlfriend in [REDACTED]. He related that he was a very private person who primarily devoted all of his time to work because he was single. He said he was very uncomfortable with an accusation inferring that he arranged or planned a personal "rendezvous" as part of any official government trip.

[REDACTED] related that his support staff and [REDACTED] prepared an analysis of his travel and told him that he owed \$1,197.16, at which point he wrote a check for the full amount. [REDACTED] said he did not question it once the analysis was complete. He related that he thought the majority of the money he paid was related to the airline ticket change.

He said that his move from Associate Solicitor of Indian Affairs to [REDACTED] of Fish, Wildlife, and Parks was not orchestrated by [REDACTED] to remove him as the Associate Solicitor. [REDACTED] related the move was based on his expertise and his interest in the position—not due to this travel issue. He related that his current supervisor Lyle Laverty, Assistant Secretary for Fish, Wildlife, and Parks, was not aware of the [REDACTED] travel issue.

When we interviewed [REDACTED] he said that the purpose of [REDACTED]'s trip to Oregon was related to a Klamath water issue (Attachment 8). [REDACTED] recalled that [REDACTED] had "an intent to talk to some folks that he knew at Stanford about a DIA conference." [REDACTED] said that during the brainstorming process for the DIA conference, [REDACTED] brought up the idea of having Stanford act as a "facilitator" for

Case Number: [REDACTED]

the conference. [REDACTED] said that it fell into the category of “That’s an interesting idea,” rather than something they wanted to do. [REDACTED] said, “You know, at the end of the day, this was going to be a conference for government lawyers and, you know, certainly not opposed to facilitators, but we’re also not running the marketing program for Stanford.” [REDACTED] did not recall if he had a discussion with [REDACTED] about the idea of Stanford being a facilitator of the conference prior to this September 2007 trip to [REDACTED]

When asked if he would have approved the trip to [REDACTED] if he had known that [REDACTED]’s intent was to talk to Stanford officials about the conference, [REDACTED] said that it would have depended on how [REDACTED] related it to the mission of the Solicitor’s Office. However, [REDACTED] said that the Solicitor’s Office has a small budget and he wasn’t sure that this trip to [REDACTED] would have qualified as the best use of their funds. When asked who decided [REDACTED] should pay for the [REDACTED] portion of the trip, [REDACTED] said, “[REDACTED] Ultimately I guess I’m totally accountable, but [REDACTED] looked at the travel, looked at everything and decided what should qualify and what shouldn’t. I didn’t look at those details.”

When asked if he [REDACTED] discussed why the government wasn’t going to pay for the portion of [REDACTED]’s trip to [REDACTED] [REDACTED] said, “Well, I think my discussions with [REDACTED] went something like this: Look, the fact that we even have an issue, I mean, i.e., [REDACTED] has identified an issue, is a problem. It’s not a problem, not a problem legally, but it’s a problem because it means you weren’t exercising really good judgment, and maybe weren’t as diligent as you should have been. That said, they’re going to look at it. Whatever they find, they find, and then we’re going to deal with it. And it very well may be that you need to repay for portions of this trip that were not related to your job. And my view as a political appointee is you don’t err on the side of arrogant disregard for the rules. You err on the side of don’t be in the gray, be in the black. And so, you know, my own view on this would be that you want to make sure you’re in the black and not the gray.”

When asked if [REDACTED] tried to explain that his trip to [REDACTED] was legitimately official business, [REDACTED] said he wasn’t sure what [REDACTED] told [REDACTED] but he did not recall [REDACTED] trying to justify to him why he went to [REDACTED]. [REDACTED] said that “the reasons are really relevant before you go on travel... They’re interesting, but maybe not as relevant, after you’ve gone on travel.” He further stated that he didn’t recall having a discussion with [REDACTED] about him going to travel to [REDACTED] to discuss the conference.

[REDACTED] said that he heard, subsequent to this issue, a rumor that [REDACTED] was visiting a girlfriend in San Francisco; however, he never discussed it with [REDACTED] and wasn’t even sure if [REDACTED] had a girlfriend.

When asked what the reasons were for [REDACTED] moving to the position of [REDACTED] for Fish, Wildlife, and Parks, [REDACTED] said there were several reasons. He said, “[REDACTED] First and foremost, it was an issue area that [REDACTED] has real expertise in.” [REDACTED] said there was a “secondary benefit,” which was that it was a position that dealt with policy and he didn’t have “line or budget authority.” When asked if [REDACTED] thought it was a good idea that [REDACTED] not have line or budget authority because of the travel issue, he said that it did not show that [REDACTED] had “exceptional care or good judgment.” [REDACTED] also said, regarding the Solicitor’s Office, “[REDACTED] At the end of the day, we have a lot at stake, and we make legal calls that affect people’s rights, affect our significant decisions, and they really need to be beyond reproach.”

When we re-interviewed [REDACTED] he said he could not recall specifically discussing his intentions to go to

Case Number: [REDACTED]

[REDACTED] to discuss the Indian Law conference with anyone at DOI (**Attachment 9**). He said he mentioned the idea of involving universities when they were first discussing the idea of a DIA conference and funding was an issue. When asked how people reacted when he mentioned the possibility of Stanford hosting an Indian Law conference and possibly paying for DOI employees' expenses to attend, he said that he presented it as an option that he would look into. He said he could not recall anyone questioning whether DOI employees could accept Stanford paying for their expenses.

[REDACTED] said that as the Associate Solicitor he was at a high enough level to take his own initiative and he decided to make the trip to [REDACTED]. When [REDACTED] returned from his trip to [REDACTED] he could not recall if he briefed anyone on the results of his conversations with [REDACTED] about the conference. When asked to explain the results of the discussions he had with [REDACTED] about the conference, [REDACTED] said it was in the early planning stages and could not articulate specific results from the trip to [REDACTED].

*Agent's Note:* We attempted to contact [REDACTED] who never returned the messages we left for him.

[REDACTED] said he did not travel to [REDACTED] to visit a girlfriend, but rather he went there to visit with [REDACTED] to discuss the possibility of a conference on Indian Law. When asked specifically if he has a girlfriend in [REDACTED], [REDACTED] said he has a lot of male and female friends in [REDACTED]. When asked if he had a female friend that he was in a romantic relationship with and who resided in [REDACTED], [REDACTED] said he did not see the relevance in providing that information. When it was explained that it was relevant because the complaint against him alleged that he arranged government travel to visit his girlfriend in [REDACTED] he said as a matter of principle he would not state whether he had a girlfriend in [REDACTED]. When asked if he visited his girlfriend while he was in [REDACTED] he said that he would not disclose what he did on his own personal time.

When asked if he spent the entire three days he spent in [REDACTED] discussing the conference, [REDACTED] said that he also spent time reading materials on Indian Law.

*Agent's Note:* [REDACTED] flew to [REDACTED] on [REDACTED].  
[REDACTED].

[REDACTED] said that no one ever told him that the reason he had to pay back the \$1,197.16 was because the trip to [REDACTED] was not considered official government travel. When asked if he had a conversation with [REDACTED] about the problems with his voucher, [REDACTED] said he could not specifically recall speaking in detail with [REDACTED] about the travel issues. [REDACTED] said he did not recall [REDACTED] telling him that the meeting with Stanford officials could have been accomplished over the telephone. [REDACTED] did not recall seeing the analysis that detailed what expenses were considered personal.

[REDACTED] said that when he learned there were issues with his paperwork he told his secretary to get with [REDACTED] and fix the problems. [REDACTED] said that he thought he had to pay back the money because his secretary had made a clerical error with the paperwork—not because the portion of the trip to [REDACTED] was not considered government business.

When asked why he didn't know the details of why he had to pay back \$1,197.16, [REDACTED] said that he was —above bickering over the details.” He said that although it was a lot of money to him, he would pay any amount if it concerned his integrity. When asked why he didn't want to know the details of the error so that he didn't repeat the same mistake, [REDACTED] said he thought it was a clerical issue that had

Case Number: [REDACTED]

been taken care of. When we told [REDACTED] that it didn't make sense that he would pay \$1,197.16 without knowing the details, he responded that we are "culturally different" and have "different worldviews."

[REDACTED] declined to take a polygraph examination, but provided the following written statement: "I have never intentionally or knowingly undertaken a govt. trip for non-governmental purpose" (**Attachment 10**). When asked if he would be more specific regarding the [REDACTED] 2007 trip to Medford and [REDACTED] he said he had nothing further to add to the statement already provided. When advised that this was his opportunity to justify the trip to [REDACTED] in his own words, he again said that the statement he provided was all he had to say. When asked to include in his statement that he refused to affirm whether he had a girlfriend in [REDACTED] he again said that the statement he provided was all he had to say.

We attempted to interview [REDACTED] a third time and presented him with an Employee Compelled Interview Notice (Kalkines Warning), based upon a declination for prosecution from the District of Columbia's U.S. Attorney's Office (**Attachment 11**). The warning was read aloud to [REDACTED] and he was provided the opportunity to read and digest the official document that contained the warning. [REDACTED] said he did not understand his rights under the Kalkines Warning, and he maintained this position when we explained to him that this was a compelled interview and his refusal to cooperate could be used against him in a disciplinary action. [REDACTED] said he would consider speaking with us again after he received advice on the warning and left the interview without signing the document (**Attachment 12 and 13**).

Two days after we presented the Kalkines Warning to [REDACTED] a Memorandum was sent to Secretary Kempthorne outlining the investigation and [REDACTED] unwillingness to provide information relevant to the allegations against him (**Attachment 14**). [REDACTED] was directed by his supervisors to comply with the compelled interview, and was interviewed a fourth time. [REDACTED] signed the Kalkines Warning; however, stated that he found the questioning of whether he visited a girlfriend in [REDACTED] improper (**Attachment 15 and 16**). Ultimately, [REDACTED] stated he did not have a girlfriend in [REDACTED] but had a female friend in Palo Alto (approximately [REDACTED] from [REDACTED]).

*Agent's Note: Stanford University is located in Palo Alto, and [REDACTED] said that [REDACTED] resides in Palo Alto. Nowhere on [REDACTED] itinerary or voucher does it state that he went to Palo Alto; however, for the portion of the trip he spent in Oregon he was very specific with the towns he visited on his itinerary (See Attachment 1).*

He said his female friend's name is [REDACTED] and maintained that [REDACTED] was not his girlfriend. [REDACTED] said that during his September 11, 2007 trip, [REDACTED] was out of the country. [REDACTED] said he was not aware of where [REDACTED] traveled, but said he saw a stamp in [REDACTED] passport that [REDACTED] returned to the United States on September 17, 2007. [REDACTED] said that the purpose of his trip to [REDACTED] was not to visit with [REDACTED] but to discuss the conference with [REDACTED].

*Agent's Note: We requested a Treasury Enforcement Communication System II check on [REDACTED]. The check disclosed that [REDACTED] traveled abroad often; however, there was no record indicating [REDACTED] was out of the country during August and September 2007.*

Case Number: [REDACTED]

At the conclusion of the interview, [REDACTED] agreed to provide a written statement (**Attachment 17**). The following are the questions we posed and answers provided by [REDACTED] that he was sworn to:

- Q. Why did you have to reimburse the government \$1,197.16, specifically?  
A. I reimbursed the stated amt. to relieve of any impropriety associated with this travel.
- Q. Were you told that your travel in [REDACTED] was personal and not official government business?  
A. I do not have a precise recollection of this. However, I was shown a travel voucher w/my signature that states I was on leave b/w [REDACTED] 2007.
- Q. At the time of your September 2007 trip to [REDACTED] did you have a girlfriend who lived in the [REDACTED] area?  
A. I have male and female friends living in SF Area.
- Q. Did you plan this trip so you could visit your girlfriend in [REDACTED]  
A. No.
- Q. Did you visit your girlfriend during this trip to [REDACTED]  
A. No.
- Q. What were you doing in [REDACTED]  
A. I was not in [REDACTED] but stayed Univ. to discuss the planning & hosting of an Indian Law & Policy Conference.

**SUBJECT(S)**

[REDACTED] [REDACTED] for Fish, Wildlife and Parks

**DISPOSITION**

This case has been declined by the District of Columbia's U.S. Attorney's Office and provided to the Assistant Secretary for Fish, Wildlife and Parks for any action he deems appropriate.

**ATTACHMENTS**

1. [REDACTED]'s travel voucher for his September 11, 2007 travel.
2. IAR – Interview of [REDACTED] on October 9, 2008.
3. Analysis of charges for [REDACTED]'s September 11, 2007 travel voucher.
4. IAR – Interview of [REDACTED] on October 24, 2008.
5. IAR – Interview of [REDACTED] on November 5, 2008.
6. IAR – Interview of [REDACTED] on November 5, 2008.
7. IAR – Interview of [REDACTED] on October 16, 2008.
8. IAR – Interview of [REDACTED] on October 27, 2008.
9. IAR – Interview of [REDACTED] on November 14, 2008.
10. [REDACTED]'s written statement dated November 14, 2008.
11. Declination for Prosecution from AUSA [REDACTED] dated November 25, 2008.
12. IAR – Interview of [REDACTED] on December 8, 2008.

Case Number: [REDACTED]

13. Refusal to sign Kalkines Warning
14. Memorandum to the Secretary dated December 10, 2008.
15. Kalkines Warning dated December 11, 2008.
16. IAR – Interview of [REDACTED] on December 11, 2008.
17. Voluntary Statement dated December 11, 2008.



United States Department of the Interior

OFFICE OF THE SECRETARY  
Washington, DC 20240



JAN 15 2009

**Memorandum**

To: Assistant Inspector General of Investigations

From: Assistant Secretary for Fish and Wildlife and Parks *tylo l...dy*

Subject: Report of Investigation - [REDACTED]

I received and have thoroughly reviewed your investigative report. Secretary Kempthorne and I are fully committed to maintaining the highest level of integrity among our employees.

The report concerns [REDACTED] travel while he was Associate Solicitor of Indian Affairs in the Solicitor's Office. At that time his supervisor was [REDACTED]. I have had discussions regarding the report with [REDACTED]. It is the [REDACTED] finding that the matter entails an error that was noted through an established review process. [REDACTED] when informed of the error, remitted the necessary amount and reconciled the account. This matter has been satisfactorily resolved.

After reviewing the information in your report and personal conversations with [REDACTED] I conclude that this travel was for government business. When informed of the error, he took full responsibility and remedied the matter promptly. His actions represent an appropriate and effective way of addressing the issue. I consider the matter concluded to my satisfaction.

*tylo l...dy*  
1/16/09



**U.S. Department of the Interior  
Office of Inspector General**

**ACCOUNTABILITY FORM**

**Memorandum**

**To:** Stephen Hardgrove  
Assistant Inspector General for Investigations

**From:** LYLE LAVERDY  
ASSISTANT SECRETARY, FWP

**Subject:** Accountability Notice

**Accountability Notice:**

Case name: [REDACTED]

Case #: [REDACTED]

This form documents the action taken by the bureau/office regarding the subject case. The nature of the administrative action(s) is explained under details, and a copy of the action letter is attached.

**1) Personnel Actions:**

- |   |  |
|---|--|
| <input type="checkbox"/> Verbal reprimand/Counseling                            | <input type="checkbox"/> Notice of warning |
| <input type="checkbox"/> Written reprimand                                      | <input type="checkbox"/> Suspension        |
| <input type="checkbox"/> Reduction in grade/pay                                 | <input type="checkbox"/> Removal           |
| <input checked="" type="checkbox"/> Other (explain): <u>EXPLAINED IN LETTER</u> |  |

**2) No Action Taken:**

- Unsubstantiated
- Other (explain) corrective administrative action necessitated the error.

**3) Monetary recovery:** Amount \$ \_\_\_\_\_

**4) Details:** *(Please summarize details of action as needed.)*

Name of Case Review Approving Official: LYLE LAVERDY

Name of Proposing Official: \_\_\_\_\_

Name of Deciding Official: LYLE LAVERDY

Name(s) of other official(s) providing input: *(ie. HR, Solicitor, etc.)* \_\_\_\_\_

**Signature:** *(Authorized Bureau Official)* Lyle Laverdy Date: 6/16/09

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*8/16/09*



**United States Department of the Interior  
Office of Inspector General**

**REPORT OF INVESTIGATION**

<b>Case Title</b> [REDACTED]	<b>Case Number</b> [REDACTED]
<b>Reporting Office</b> Washington, DC	<b>Report Date</b> October 29, 2008
<b>Report Subject</b> Final Report of Investigation	

**SYNOPSIS**

Our investigation was initiated based upon information obtained from a Confidential Source (CS) who alleged that [REDACTED] Office of the Special Trustee for American Indians (OST) with a duty station of Washington, DC, still [REDACTED]. The CS claimed that senior DOI leadership were aware of this arrangement and as [REDACTED] was often on travel, stated the potential for travel fraud existed depending on how often [REDACTED] settled his final travel vouchers.

Our investigation determined that [REDACTED] personally paid for his airline travel to and from Washington, DC and [REDACTED]. It was also found that [REDACTED] performed cost analysis for his travel to ensure government travel regulations were not being violated.

**BACKGROUND**

Based upon an interview with a CS, an investigation was initiated to determine if [REDACTED] violated DOI travel regulations, by claiming government travel from [REDACTED], where he maintained a private residence, when his duty location in Washington, DC.

**DETAILS OF INVESTIGATION**

We obtained all of [REDACTED] SF-50's and reviewed them for duty station status and determined the SF-50's reflected [REDACTED] duty station as Washington, DC (**Attachment 1**).

<b>Reporting Official/Title</b> [REDACTED]/Special Agent	<b>Signature</b>
<b>Approving Official/Title</b> Alan F. Boehm/Director, Program Integrity Division	<b>Signature</b>

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Case Number: [REDACTED]

Subsequently, [REDACTED] travel vouchers for the past year and half were requested through OST. Of the twenty-two vouchers reviewed, twelve reflected travel involving [REDACTED] flying to, or through, [REDACTED].

We interviewed [REDACTED] concerning his personal travel to [REDACTED] (Attachment 2). [REDACTED] explained that he travels on government business an average of about eight to ten days a month. [REDACTED] stated that he owns a home in Washington, DC, but his primary residence is in [REDACTED]. [REDACTED] estimated that he travels to [REDACTED] once or twice per month. [REDACTED] also stated that his wife lives and works in [REDACTED].

[REDACTED] stated he has traveled to [REDACTED] on official government travel in the past, but has never charged personal travel on his government travel card. [REDACTED] explained that OST has an office in [REDACTED] where he meets with various members of Oklahoma's thirty-six Native American tribes. [REDACTED] opined that he would consider those trips official government business.

[REDACTED] stated that [REDACTED] prepares all of his authorizations and vouchers for his official travel. [REDACTED] said he did not know if there was a cost analysis done on each trip from [REDACTED] to a specific location, but felt certain that he paid more money than what the government would have paid. [REDACTED] noted he always pays for his plane tickets from Washington, DC to [REDACTED] when he has no government business in [REDACTED]. [REDACTED] explained if he was required to go to Albuquerque, New Mexico or Seattle, Washington, and he was already in [REDACTED] he would start his government travel from [REDACTED]. [REDACTED] stated he would either fly back to [REDACTED] or Washington, DC depending on what was appropriate at that time. [REDACTED] felt it made more sense to leave from [REDACTED] (if he was already there) which would have cost the government less money than traveling back to Washington DC, to begin his travel.

[REDACTED] recalled [REDACTED] mentioning a couple of times that his travel would cost the government more due to him being in [REDACTED] and he has always told [REDACTED] that "any time, there is situation that would cost the government more to travel from here to there...I would pay the difference." [REDACTED] stated that in the last two years he could not recall a time that he had to repay the government, but stated the government probably "owed me money." [REDACTED] said he always erred on the side of caution anytime he was traveling on official government business. [REDACTED] explained that he regarded government travel as "very important and not worth the grief to cheat the government out of anything." [REDACTED] estimated that he spends approximately five to seven thousand dollars a year on his personal travel.

[REDACTED] recalled that at least two people from the Office of the Secretary (OS) review his travel vouchers to include [REDACTED], OS. [REDACTED] stated that his direct supervisor was the Secretary of the Interior; however someone in the Secretary's office approved his travel authorizations and travel vouchers.

[REDACTED] agreed to provide the OIG with copies of his personal credit card statements in order to identify the dates he purchased personal airline tickets to [REDACTED].

[REDACTED] reiterated that he always takes the conservative approach when it comes to his government travel. [REDACTED] said that [REDACTED] works all the time with appropriate travel people to ensure he is following all government travel regulations. [REDACTED] stated that if there was a way to save the government money on different aspects of travel, he always goes with the cheaper option.

Case Number: [REDACTED]

[REDACTED] [REDACTED] [REDACTED] was interviewed regarding [REDACTED] supervisor's travel over the past year (**Attachment 3**). [REDACTED] said that since [REDACTED] was hired, one of [REDACTED] duties was to manage [REDACTED] official government travel. [REDACTED] said that [REDACTED] occasionally started his travel in [REDACTED] [REDACTED] as [REDACTED] owned a home there. [REDACTED] understood that there were no regulatory issues as to where [REDACTED] started his official travel from as long as the fare was monetarily less than a round-trip ticket from Washington, DC ([REDACTED] official duty location) to the temporary duty location. [REDACTED] said that on the occasions when [REDACTED] started his travel in [REDACTED] [REDACTED] would purchase a personal airline ticket to cover the round-trip fare from Washington, DC to [REDACTED] [REDACTED] said [REDACTED] maintained copies of the personal tickets he purchased. [REDACTED] said that prior to arranging the travel from [REDACTED] to a location; [REDACTED] would conduct a cost comparison for the travel from [REDACTED] and Washington, DC to the temporary duty location. [REDACTED] said that for the most part these trips were to Albuquerque. It was [REDACTED] estimation that it was approximately \$100 cheaper to travel round-trip from [REDACTED] to Albuquerque than from Washington, DC. [REDACTED] could not recall one occasion when [REDACTED] had started his travel in [REDACTED] and the airfare would have been cheaper if [REDACTED] would have departed from Washington, DC.

[REDACTED] related that [REDACTED] did not keep a copy of the cost comparison notes on file as the agent doing the booking had access to [REDACTED] profile, which reflected [REDACTED] "duty location" as Washington, DC. As a result, the booking agent would verify the cost comparison data over the telephone and would have advised [REDACTED] if it was cheaper to fly from Washington, DC. [REDACTED] related that if [REDACTED] was traveling to locations other than Albuquerque, [REDACTED] would make sure to request a cost comparison from the booking agent. [REDACTED] stated that once [REDACTED] established that roundtrip airfares from [REDACTED] to Albuquerque were cheaper than traveling from Washington, DC [REDACTED] did not routinely ask for a cost comparison if the booking agent did not question the travel.

[REDACTED] recalled four trips where [REDACTED] stayed at the temporary duty location beyond the authorized dates for personal reasons. These trips were to Verona, NY (August 2008); Michigan (August 2007); San Diego, and California (early 2007). [REDACTED] related that on these occasions, [REDACTED] would write a personal check to reimburse the government for the extra costs incurred for the hotel and rental car. [REDACTED] related that the first time this occurred [REDACTED] contacted [REDACTED] Denver Federal Center, who informed [REDACTED] that the personal check should be made out to "OST." [REDACTED] related that since then this is how [REDACTED] had processed such vouchers. [REDACTED] was made aware that government employees are to incur extra costs on their personal credit cards and not the government credit card when overstaying government travel dates. [REDACTED] said [REDACTED] understood and would advise [REDACTED] of this change in how they conduct his travel itinerary for overstays.

*[Agent's Comment: [REDACTED] was unaware of the DOI Integrated Charge Card Guide, Section 1.6.2, that states that it is unauthorized to use the government charge card for expenses not related to official business.]*

A review of [REDACTED] personal credit card statements reflects approximately \$8,000 in paid airline tickets for travel to and from his residence in [REDACTED] OK for the past fiscal year (**Attachment 4**). These personally paid for trips were in conjunction with official government travel and reflected the amount paid by [REDACTED] for travel between Washington, DC and [REDACTED]

Case Number: [REDACTED]

**SUBJECT(S)**

[REDACTED] Office of the Special Trustee for American Indians, DOI,  
Washington, DC.

**DISPOSITION**

The investigation is closed in the files of this office.

**ATTACHMENTS**

1. [REDACTED] SF-50.
2. Investigative Activity Report, interview of [REDACTED] dated September 17, 2008.
3. Investigative Activity Report, interview of [REDACTED] dated September 17, 2008.
4. [REDACTED] personal credit card statements.



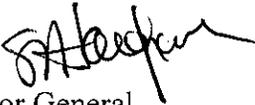
# United States Department of the Interior

OFFICE OF INSPECTOR GENERAL  
Washington, DC 20240

MAR 9 2009

## Memorandum

To: Thomas L. Strickland  
Chief of Staff

From: Stephen A. Hardgrove   
Acting Deputy Inspector General

Subject: Report of Investigation—Phillip Hogen (Travel)

The Office of Inspector General recently concluded an investigation based on allegations from a confidential source alleging that Phillip Hogen, Chairman, National Indian Gaming Commission, engaged in travel fraud. The complainant stated that Hogen, whose official duty location was in Washington, DC, maintained his private residence in South Dakota, traveling there frequently claiming official government travel.

Our investigation determined that Hogen overcharged the government \$3,620.15 for travel between 2003 and 2008, in violation of Title 18 USC 641, Theft of Government Funds and Title 18 USC 1001, False Statements. On eleven specific travel vouchers, Hogen traveled to or from South Dakota instead of his duty location of Washington, DC. We determined that traveling to or from South Dakota was a higher cost to the government compared to traveling to or from Washington, DC.

Our findings were presented to an Assistant United States Attorney, District of Columbia; however, they declined the case for prosecution due to available administrative remedies.

We are providing this report to you for whatever administrative action you deem appropriate. Please send a written response to this office within **90 days** advising of the results of your review and actions taken. Also enclosed is an Investigative Accountability form, please complete this form and return it with your response. Should you need additional information concerning this matter, you may contact me at (202) 208-5492.

Attachment



**United States Department of the Interior  
Office of Inspector General**

**REPORT OF INVESTIGATION**

<b>Case Title</b> Hogen, Phillip (Travel)	<b>Case Number</b> PI-PI-08-0527-I
<b>Reporting Office</b> Program Integrity Division	<b>Report Date</b> February 25, 2009
<b>Report Subject</b> Closing Report of Investigation	

**SYNOPSIS**

We initiated this investigation based upon a complaint we received from a confidential source, who alleged that Phillip Hogen, Chairman, National Indian Gaming Commission, engaged in travel fraud. The complainant stated that Hogen, whose official duty location was Washington, DC, maintained his primary private residence in South Dakota. It was alleged that Hogen frequently traveled to South Dakota claiming official government travel.

Our investigation determined that Hogen overcharged the government \$3,620.15 for travel between 2003 and 2008, in violation of Title 18 USC 641, Theft of Government Funds. On eleven specific travel vouchers, Hogen traveled to or from South Dakota instead of his duty location of Washington, DC. We determined that traveling to or from South Dakota was a higher cost to the government compared to traveling to or from Washington, DC. Hogen signed all eleven of the vouchers certifying they were in compliance, in violation of Title 18 USC 1001, False Statements.

Our findings were presented to [REDACTED] Assistant United States Attorney, District of Columbia, who declined the case for prosecution due to available administrative remedies. This report is being forwarded to the Office of the Secretary for administrative action.

**BACKGROUND:**

The National Indian Gaming Commission's (NIGC) primary mission is to regulate gaming activities on Indian lands for the purpose of shielding Indian tribes from organized crime and other corrupting influences; to ensure that Indian tribes are the primary beneficiaries of gaming revenue; and to assure that gaming is conducted fairly and honestly by both operators and players.

Reporting Official/Title [REDACTED] Special Agent	Signature
Approving Official/Title Alan Boehm/Director, Program Integrity Division	Signature

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To achieve these goals, the NIGC is authorized to conduct investigations; undertake enforcement actions, including the issuance of violation, assessment of civil fines, and/or issuance of closure orders; conduct background investigations; conduct audits; and review and approve Tribal gaming ordinances.

Hogen joined the Department in 2001 from the private practice of Indian law in Rapid City, SD, where he was affiliated with the national law firm of Holland & Knight LLP. Before commencing that practice Hogen served as an Associate Member and the Vice Chairman of the NIGC. Hogen was the first director of the Department's Office of American Indian Trust. Prior to having been named to that post, Hogen was the United States Attorney for the District of South Dakota, serving in that position for more than ten years. While serving as U.S. Attorney, Hogen served on the Department of Justice's Indian Affairs Subcommittee of the Attorney General's Advisory Committee. Hogen was appointed by President Bush as the Chairman of the NIGC in November of 2002.

**DETAILS OF INVESTIGATION**

On September 9, 2008, we initiated this investigation in response to a complaint from a confidential source who made allegations of travel fraud against Philip Hogen, Chairman, National Indian Gaming Commission (NIGC) (**Attachment 1**). Specifically, the complaint alleged that Hogen maintained his primary residence in South Dakota, instead of his duty location of Washington, DC.

During our investigation, we reviewed 131 travel vouchers that totaled 185 trips (several vouchers included multiple trips) (**Attachment 2**). Out of the 185 trips, dated between 2003 and 2008, we identified eleven inappropriate trips resulting in Hogen overcharging the government \$3,620.15 in travel expenses (**Attachments 3 through 13**). All eleven trips either started from South Dakota or involved travel to South Dakota, when he should have either started his travel from his duty station of Washington, DC, or concluded his travel in Washington, DC. We were able to determine that Hogen owed the government \$3,620.15 by comparing the General Service Administration (GSA) city-pair airline contract rates from Hogen's post of duty in Washington, DC, to the actual cost Hogen claimed on his signed travel voucher. The following is a breakdown of each trip in question:

#	Travel Dates	Destination	Air fare Claimed	GSA city-pair	Difference	Attachment
1	5/27/03-5/29/03	South Dakota (SD) to Oklahoma City, OK	\$696.50	\$286.00	\$410.50	See attachment 3
2	11/2/03-11/11/03	DCA to Las Vegas to Oklahoma City, OK (he paid from OK to SD) then from SD to DCA	\$214.00	\$173.00	\$41.00	See Attachment 4
3	12/1/03-12/4/03	South Dakota (SD) to Ontario, CA to DC	\$474.50	\$452.00	\$22.50	See Attachment 5
4	8/16/04-8/17/04	SD to Hartford, CT (Round Trip)	\$1,678.89	\$590.00	\$1,088.89	See attachment 6
5	8/11/05-8/12/05	SD to Sacramento, CA (Round Trip)	\$933.30	\$600.00	\$333.30	See attachment 7
6	10/2/05-10/3/05	SD to Tulsa, OK (Round Trip)	\$597.30	\$296.00	\$301.30	See attachment 8

7	5/31/06-6/5/06	SD to Oklahoma City, OK to Boston, MA to Syracuse, NY to Washington, DC (DCA)	\$442.10	\$191.00	\$251.10	See attachment 9
8	10/19/06-10/26/06	DCA to St. Paul (Personal time), to Fargo, ND to Traverse City, MI to DCA	\$615.60	\$239.00	\$376.60	See attachment 10
9	6/4/07-6/25/07	SD to IAD, should have been Kansas City to DCA	\$297.96	\$160.00	\$137.96	See attachment 11
10	1/13/08-1/21/08	Baltimore Washington International (BWI) to Phoenix, AZ, return flight was SD to BWI (Hogen paid Phoenix to SD).	\$590.00	\$512.00	\$78.00	See attachment 12
11	7/14/08-7/17/08	SD to Seattle, WA, return flight was Seattle, WA to DCA.	\$1,033.00	\$454.00	\$579.00	See attachment 13
			<b>TOTAL</b>	<b>\$3,620.15</b>		

As the Chairman of the NIGC Hogen was required to travel throughout the United States to either speak at Indian Gaming Conferences or to meet with various Native American Indian Tribes that had gaming concerns. Hogen has maintained a primary residence in South Dakota where his wife resides. As part of Hogen's appointment he was required to have a post of duty in Washington, DC. Our investigation determined that Hogen would try and combine official government travel in order to spend time at home in South Dakota.

When we first interviewed Hogen, he said that in his current position as Chairman of NIGC, his duty station is Washington, DC (**Attachment 14 and 15**). Hogen stated that in August 2008, he terminated his Washington, DC apartment lease in anticipation of the administration change in January 2009. Hogen said that since the termination of his lease he resided in local hotels while working out of his Washington, DC office. Hogen felt it would be cost effective for him to pay for a hotel room rather than signing another lease for an apartment that he would most likely have to break. Hogen also explained that his primary residence was in South Dakota.

Hogen admitted he has recently looked at the government travel regulations, which he stated he probably has not looked at as carefully as he should have. Hogen stated he now understands that if you combine personal travel with official travel you must repay the government any additional cost.

Hogen stated that he made most of his own travel plans, except hotel arrangements for conferences. Hogen stated that his executive assistant [REDACTED] handled his reservations for the conferences and prepared his final travel vouchers for all travel. Hogen said he would write down on a legal pad the expenditures he incurred for a particular trip and provide them to [REDACTED]

We also determined that from October 3, 2007 to June 3, 2008, Hogen went over his allowed hotel per-

diem 23 times (See Attachment 1). Hogen explained the reason he went over the government lodging per-diem rate, was because he would stay at the Indian Casinos that did not offer the government rate. Hogen made the statement that the Indian casinos were their clients and NIGC was funded by the casinos not the government. Hogen stated that it is typical for NIGC employees to arrange their lodging at the casinos when they visit an Indian casino.

When we interviewed ██████ ██████ said that since Hogen was appointed as Chairman in December 2002, Hogen always reserved his own flights and rental cars (**Attachment 16**). ██████ stated that ██████ would make Hogen's hotel reservations. ██████ related that upon completion of a trip, Hogen would give ██████ a folder containing his receipts and handwritten notes explaining his travel. From these notes and receipts, ██████ prepared the travel voucher and submitted it for reimbursement after it was reviewed and approved by one of the commissioners. ██████ explained that if Hogen was visiting South Dakota for personal reasons, he usually purchased a personal one-way ticket to South Dakota and then the official travel would start from South Dakota. ██████ stated that for the most part, when Hogen started his official travel in South Dakota, he would fly from his last location back to Washington, DC. However, ██████ said that on occasion, Hogen would return to South Dakota and then fly back to Washington, DC.

████████ said in August 2008, when the NIGC changed to an electronic travel system (Gov-Trip), ██████ received additional training. During this time, ██████ became aware that a cost comparison analysis was required when the traveler was not departing from their official duty location. ██████ said that prior to August 2008, there were no cost-comparisons completed for Hogen's travel. ██████ however, described Hogen as being very frugal with NIGC monies.

████████, NIGC, Rapid City, South Dakota, was interviewed regarding Hogen's travel to Rapid City, and confirmed that Hogen travels to Rapid City "every few months" (**Attachment 17**). However, ██████ stated that Hogen's main office was in Washington, DC. ██████ indicated that prior to moving into their new office in July 2008, Hogen would not have been able to work out of the old NIGC office because of limited office space. Due to this fact, ██████ said Hogen worked out of his home when he was in Rapid City.

████████ said that he believes Hogen has returned to Rapid City for holiday breaks, like Christmas and New Years. ██████ said when Hogen worked out of his home, it was unlikely that Hogen would come into the NIGC office.

████████ said since moving into their new office space, Hogen has visited their office twice. ██████ said their new office now has a workspace for Hogen to conduct business when he comes back to Rapid City. When asked to clarify what business Hogen conducts, ██████ said Hogen makes calls and holds meetings with constituents and tribal gaming officials.

████████, NIGC, Rapid City, South Dakota, was also interviewed about Hogen's travel to Rapid City, who said that prior to moving into their new offices in July 2008, Hogen rarely visited or worked out of the old NIGC office (**Attachment 18**). ██████ said, however, that their old NIGC office was only able to accommodate two people at a time, thus making it impractical for Hogen to work out of the office. ██████ was uncertain as to the number of times Hogen has traveled to the Rapid City area during the last year, but felt it averaged around twelve times.

Since 2005, ██████ only remembers one or two meetings being held in the old NIGC office by Hogen.



Trip (**Attachment 23**). He said that Regina McCoy, Director of Administration, NIGC, was tasked with this mission. Hogen related that the training had since been completed; however, he could not recall the date of the training.

When asked about the status of his pending travel vouchers, Hogen said, "Done this between last week and this week, even one this morning." When asked how many he had completed he said, "Most of them."

He stated that the current cost comparison sheet attached to the recently prepared vouchers was based on recommendations they received from Gov-Trip training personnel. Hogen explained that the delay in settling the travel in question was very much the exception. Hogen indicated that having had his "bell rung," he was now on top of his travel. Hogen related that he was not aware that DOI had a five-day policy to settle travel vouchers.

Hogen explained that any new travel, when he started his official travel in South Dakota, would have a cost comparison sheet attached. If the final amount exceeded the reimbursable amount he would offset the difference.

At the end of our investigation we reviewed five of Hogen's vouchers from August 19, 2008 to October 29, 2008, to insure Hogen was following the correct travel procedures (**Attachment 24 and 25**). Our review disclosed that in all but one of the trips (Authorization Number 0P0FJ1) Hogen utilized a ticket company other than the approved General Services Administration (GSA) government contractor to purchase his airline tickets. The cost comparison sheets attached to three of the travel vouchers reflected a government savings as the GSA city-pair rates were compared to private ticketing agency rates.

### **SUBJECT(S)**

Phillip Hogen, Chairman, National Indian Gaming Commission.

### **DISPOSITION**

Our findings were presented to [REDACTED], Assistant United States Attorney, District of Columbia. After a review of the investigation, Durham decided to decline the case for prosecution. We are forwarding this report to the Office of the Secretary for any administrative action.

### **ATTACHMENTS**

1. IAR-Interview of Confidential Source dated August 26, 2008.
2. IAR-Document Review of Hogen's travel vouchers from 2003-2008.
3. Travel Voucher that was signed May 30, 2003.
4. Travel Voucher that was signed November 13, 2003.
5. Travel Voucher that was signed December 5, 2003.
6. Travel Voucher that was signed September 2, 2004.
7. Travel Voucher that was signed August 24, 2005.
8. Travel Voucher that was signed October 12, 2005.
9. Travel Voucher that was signed June 7, 2006.

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10. Travel Voucher that was signed November 6, 2006.
11. Travel Voucher that was signed July 3, 2007.
12. Travel Voucher that was signed January 23, 2008.
13. Travel Voucher that was signed July 22, 2008.
14. IAR-Interview of Phillip Hogen (first) on September 24, 2008.
15. Transcription of Hogen's oral recorded statement on September 24, 2008.
16. IAR-Interview of [REDACTED] on September 24, 2008.
17. IAR-Interview of [REDACTED] on October 24, 2008.
18. IAR-Interview of [REDACTED] on October 24, 2008.
19. IAR-Interview of John Peterson on October 17, 2008.
20. IAR-Interview of Phillip Hogen (second) on October 8, 2008.
21. IAR-Telephonic interview of [REDACTED] on November 13, 2008.
22. IAR-Document Review of Hogen's government credit card dated November 20, 2008.
23. IAR-Interview of Hogen (third) dated December 11, 2008.
24. IAR- Analysis of Hogen's travel vouchers dated January 16, 2009.
25. Travel Vouchers from August 2008 through October 2008.



# United States Department of the Interior

OFFICE OF INSPECTOR GENERAL  
Washington, DC 20240

JAN 9 2009

## Memorandum

To: Ross O. Swimmer  
Special Trustee for American Indians

From: *For:* Stephen A. Hardgrove  
Assistant Inspector General of Investigations

Subject: Report of Investigation— [REDACTED]

The Office of Inspector General recently concluded an investigation based on allegations that [REDACTED] abused [REDACTED] supervisory authority. Specifically; it was alleged that [REDACTED] directed subordinates to coordinate [REDACTED] trips for [REDACTED] who accompanied [REDACTED] during official travel to Montana. It was also alleged that [REDACTED] excessive travel schedule had caused [REDACTED] to exceed [REDACTED] annual travel budget of \$25,000 by 200 percent. Lastly it was alleged that in 2008, [REDACTED] and other [REDACTED] [REDACTED] an unnecessary trip [REDACTED]

Our investigation found that [REDACTED] in violation of 5 C.F.R. § 2635.705(b), contacted a subordinate employee at [REDACTED], who at [REDACTED] request arranged for a local guide to take [REDACTED] [REDACTED] during an official trip wherein [REDACTED] accompanied [REDACTED]. Although the subordinate employee was not forced to make the [REDACTED] trip arrangements, the employee did not feel [REDACTED] was in a position to decline [REDACTED] request.

The allegation that [REDACTED] exceeded [REDACTED] authorized travel budget by 200 percent was unfounded. However, a review of [REDACTED] travel expenses for Fiscal Year 2008 concluded [REDACTED] expended \$25,166 in travel funds.

The allegation that [REDACTED] and other [REDACTED] arranged an unnecessary trip to [REDACTED] was also unfounded. The trip to [REDACTED] was part of a proactive outreach program to assist Native-Americans, who were relocated by the government to urban areas in the 1960s, in registering with the Office of the Special Trustee.

We are providing this report to you for whatever administrative action you deem appropriate. Please send a written response to this office within **90 days** advising of the results of your review and actions taken. Also enclosed is an Investigative Accountability form, please complete this form and return it with your response. Should you need additional information concerning this matter, you may contact me at (202) 208-5492.

Attachment



**United States Department of the Interior  
Office of Inspector General**

**REPORT OF INVESTIGATION**

<b>Case Title</b> [REDACTED]	<b>Case Number</b> [REDACTED]
<b>Reporting Office</b> Program Integrity Division	<b>Report Date</b> January 9, 2009
<b>Report Subject</b> Closing Report of Investigation	

**SYNOPSIS**

We initiated this investigation based on alleged actions that [REDACTED] [REDACTED] Office of the Special Trustee for American Indians, had abused [REDACTED] supervisory authority. It was alleged that [REDACTED] directed subordinates to coordinate [REDACTED] trips for [REDACTED] who accompanied [REDACTED] during official travel to Montana. It was also alleged that [REDACTED] excessive travel schedule had caused [REDACTED] to exceed [REDACTED] annual travel budget of \$25,000 by 200 percent. Lastly it was alleged that [REDACTED] and other [REDACTED] had arranged a [REDACTED] trip in 2008 that was unnecessary.

Our investigation found that [REDACTED] in violation of 5 C.F.R. § 2635.705(b), contacted a subordinate employee at [REDACTED] who at [REDACTED] request arranged for a local guide to take [REDACTED] [REDACTED] during an official trip wherein [REDACTED] [REDACTED] accompanied [REDACTED]. Although the subordinate employee was not forced to make the [REDACTED] trip arrangements, the employee did not feel [REDACTED] was in a position to decline [REDACTED] request.

The allegation that [REDACTED] exceeded [REDACTED] authorized travel budget by 200 percent was unfounded. A review of [REDACTED] travel expenses for Fiscal Year 2008 concluded [REDACTED] expended \$25,166 in travel funds.

The allegation that [REDACTED] and other [REDACTED] arranged an unnecessary trip to [REDACTED] was also unfounded. The trip to [REDACTED] was part of a proactive outreach program to assist Native-Americans, who were relocated by the government to urban areas in the 1960s, in registering with the Office of the Special Trustee.

<b>Reporting Official/Title</b> [REDACTED]/Investigator	<b>Signature</b>
<b>Approving Official/Title</b> Alan F. Boehm/Director, Program Integrity Division	<b>Signature</b>

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DETAILS OF INVESTIGATION

On November 12, 2008, this investigation was initiated based on information received from [REDACTED] Office of the Special Trustee for American Indians (OST), [REDACTED] (Attachment 1). [REDACTED] said that [REDACTED] had contacted subordinate OST employees in Montana [REDACTED] to coordinate [REDACTED] trips for [REDACTED] who accompanied [REDACTED] while [REDACTED] was on official travel in Montana. [REDACTED] also alleged that [REDACTED] routinely engaged in excessive and unnecessary travel, which included a trip to [REDACTED] in the summer of 2008, with two other [REDACTED]. [REDACTED] alleged that [REDACTED] had exceeded [REDACTED] \$25,000 annual travel budget by 200 percent during the previous fiscal year. *Agent's Note: The complainant related the questionable [REDACTED] trip occurred during summer 2008. Based on the facts provided by the complainant, the [REDACTED] trip [REDACTED] is referring to appears to have occurred in September 2008.*

[REDACTED] [REDACTED] – Blackfeet Agency, OST, MT, recalled receiving a call from [REDACTED] inquiring about [REDACTED] that were in the area prior to an official trip to the Blackfeet Agency in July 2008 (Attachment 2). [REDACTED] informed [REDACTED] that [REDACTED] would be accompanying [REDACTED] on the trip and would like to do some [REDACTED]. [REDACTED] said [REDACTED] provided [REDACTED] with some telephone numbers to Glacier National Park and that [REDACTED] or [REDACTED] had made the arrangements with Glacier Lake personnel. [REDACTED] said that there was “no brow beating” by [REDACTED] to get the numbers nor did [REDACTED] feel the request was unusual.

[REDACTED] [REDACTED] OST, [REDACTED], MT related that a month prior to [REDACTED] [REDACTED] called [REDACTED] asking if someone could take [REDACTED] [REDACTED] during [REDACTED] scheduled site visit (Attachment 3). When asked if [REDACTED] was forced to make the [REDACTED] arrangements, [REDACTED] said [REDACTED] felt that [REDACTED] could not say no because [REDACTED] was [REDACTED] supervisor. [REDACTED] ultimately located [REDACTED], a retired Bureau of Indian Affairs (BIA) [REDACTED] while shopping at a grocery store on the weekend. [REDACTED] agreed to taking [REDACTED] [REDACTED] and asked to be reimbursed about \$150 to cover the gas money for the [REDACTED]. [REDACTED] related that [REDACTED] later found out that [REDACTED] had not accepted any reimbursement and that [REDACTED] and [REDACTED] had bought dinner at a local restaurant for [REDACTED]. [REDACTED] said [REDACTED] expended about 40 minutes of government time making telephone calls in an attempt trying to locate a [REDACTED] guide prior to locating [REDACTED].

We interviewed [REDACTED] [REDACTED] Field Operations, Region 3, OST, (Attachment 4). [REDACTED] said that the purpose of the [REDACTED] trip in September 2008, which also included a trip to [REDACTED], was part of a proactive outreach program [REDACTED] helped create. [REDACTED] explained that in the 1960s the government implemented a program to assimilate Native Americans into urban areas such as San Francisco, Los Angeles, Oklahoma City, Albuquerque, Dallas, and [REDACTED]. As a result, several of these Native Americans settled in these areas and lost their connection with the reservation and other Indian services. The purpose of the outreach program was to locate Indian beneficiaries in these urban areas for Trust accounts and land entitlement that were titled “whereabouts unknown” (WAU) in order to pay monies held by OST or settle trust land issues. [REDACTED] said part of the [REDACTED] trip also included a [REDACTED] leg to set up an OST booth at an annual Indian Summer Festival. [REDACTED] stated that both [REDACTED] and [REDACTED] took turns working the booth, and [REDACTED] also participated in local Indian radio interviews. [REDACTED] said that Reynolds was only on the [REDACTED] end of the trip and did not travel to [REDACTED]. [REDACTED] stated the annual travel budget for [REDACTED] [REDACTED] was about \$25,000.

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[REDACTED] was aware that [REDACTED] had taken [REDACTED] an avid [REDACTED] with [REDACTED] during the [REDACTED] 2008, trip to Montana and other locations. [REDACTED] said he told [REDACTED] to contact [REDACTED], who worked for [REDACTED] about possible [REDACTED] locations. [REDACTED] did not think that [REDACTED] had any issues with assisting [REDACTED]

We conducted a review of all of [REDACTED] travel for Fiscal Year 2008, which consisted of [REDACTED] trips totaling \$25,166 (**Attachment 5**). The vouchers were compared against [REDACTED] government credit cards statements. We discovered one instance (Voucher No. [REDACTED] where [REDACTED] rescheduled [REDACTED] departure time by about two hours from [REDACTED] on [REDACTED] [REDACTED] 2009. This change allowed [REDACTED] to arrive in [REDACTED] by [REDACTED] versus the originally scheduled time of [REDACTED]. The change resulted in an added airfare cost of \$404.50. The remaining travel vouchers had no discrepancies.

We interviewed [REDACTED] OST (**Attachment 6**). [REDACTED] related [REDACTED] was [REDACTED] and this was the reason [REDACTED] had accompanied [REDACTED] on the [REDACTED] 2008 trip to Montana and other locations. [REDACTED] said [REDACTED] wanted to show him the areas [REDACTED] frequently travelled to and also thought it would be good to spend some time together. [REDACTED] rented a vehicle at [REDACTED] own expense and claimed mileage at the authorized lowest rate since [REDACTED] was accompanying [REDACTED]. [REDACTED] said the rental and gas for the vehicle totaled about \$1000, and received \$112 in mileage reimbursement. [REDACTED] related [REDACTED] supervisor, [REDACTED], OST, was aware [REDACTED] accompanied [REDACTED] on the trip.

[REDACTED] confirmed that [REDACTED] had arranged for a former BIA employee to take [REDACTED] [REDACTED] [REDACTED] [REDACTED] said they paid the former BIA employee \$150 and also took the former BIA employee and his wife to dinner (about \$40 for all four of them).

[REDACTED] acknowledged calling [REDACTED] who provided [REDACTED] with some telephone numbers and that [REDACTED] also recommended a local lake for [REDACTED]. [REDACTED] said that [REDACTED] had not done any [REDACTED] at this location.

At the request of [REDACTED] [REDACTED] also called [REDACTED] who arranged a [REDACTED] trip that was cancelled. [REDACTED] said that at Fort Berthal they made their own arrangements with a local restaurant owner to take [REDACTED] [REDACTED] [REDACTED] at a cost of between \$100 and \$150, based on information [REDACTED] had also provided.

[REDACTED] related that since the requests were personal in nature [REDACTED] personally made the calls to [REDACTED] [REDACTED] and [REDACTED]. [REDACTED] said that [REDACTED] did not express any hesitation or gave any indication that he was not comfortable with arranging the [REDACTED] trip during their conversation. [REDACTED] said [REDACTED] did not direct nor order anyone to arrange the [REDACTED] trips.

[REDACTED] related that all of [REDACTED] travel was approved by [REDACTED] supervisor, [REDACTED], who closely scrutinized all of [REDACTED] travel. [REDACTED] said [REDACTED] Fiscal Year 2008 travel budget was \$25,000 and estimated [REDACTED] expended \$23,000.

[REDACTED] reiterated what [REDACTED] said regarding the purpose of the [REDACTED] trip in September 2008. [REDACTED] added that [REDACTED] former in-laws were from [REDACTED] and that [REDACTED] also had a cousin living there. [REDACTED] related that [REDACTED] did not have time to visit with either of them during [REDACTED] visit. [*Agent's Note: The*

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complainant alleged that [REDACTED] had travelled to [REDACTED] because [REDACTED] was from there.]

[REDACTED] said [REDACTED] could not specifically recall why [REDACTED] made the decision to return to [REDACTED] earlier than scheduled, but felt [REDACTED] used reasonable judgment in making the ticket change. *Agent's Note:* This question pertained to the \$404.50 added airfare cost as a result of [REDACTED] adjusting [REDACTED] departure time from [REDACTED] by about two-hours (Voucher No. [REDACTED]) on [REDACTED] 2008.

**SUBJECT(S)**

[REDACTED] Office of the Special Trustee for American Indians

**DISPOSITION**

This matter will be referred to the Office of the Special Trustee for action they deem appropriate.

**ATTACHMENTS**

1. Interview of [REDACTED] dated October 29, 2008
2. Interview of [REDACTED] dated November 24, 2008
3. Interview of [REDACTED] dated December 19, 2008
4. Interview of [REDACTED] dated December 19, 2008
5. Travel Voucher Review, dated December 3, 2008
6. Interview of [REDACTED] dated December 19, 2008



**United States Department of the Interior  
Office of Inspector General**

**REPORT OF INVESTIGATION**

<b>Case Title</b> ██████████ ██████████	<b>Case Number</b> PI-PI-08-0126-I
<b>Reporting Office</b> Program Integrity Division	<b>Report Date</b> December 23, 2008
<b>Report Subject</b> Closing Report of Investigation	

**SYNOPSIS**

Our investigation was initiated based upon information obtained during a debriefing of ██████████ ██████████ ██████████, former ██████████ ██████████, Minerals and Management Service (MMS), Department of the Interior (DOI), as part of a plea agreement. ██████████ related that in August-September, 1997, he and ██████████ ██████████ MMS, traveled on official government business to Europe. ██████████ stated that during that trip, he accompanied ██████████ on a side trip to ██████████ Norway, as ██████████ wanted to visit/collect family information, and that portion of the trip was billed to the government. ██████████ claimed that there was no reason for this travel to ██████████ Norway, as there was no government business conducted there.

We determined that on September 5, 1997, both ██████████ and ██████████ flew to ██████████ Norway as part of an official government trip. On September 6, 1997, both ██████████ and ██████████ flew to ██████████ Norway, as ██████████ had wanted to visit/collect family information. Both returned to ██████████ on September 7, 2008. When interviewed, ██████████ confirmed this information. It appears that there was no government business that took place in ██████████ ██████████ claimed that as a normal course of business, he would have paid for any personal travel and expected that ██████████ would have as well. ██████████ stated that he does not have a copy of his travel voucher and does not have a copy of his government credit card receipts from eleven years ago and thus has no way of being able to prove that he paid for the trip to ██████████

Due to our inability in obtaining ██████████ travel voucher or credit card receipts, the amount of time that has elapsed since this travel took place, the relative low cost of the flight in question, and ██████████ contention that as a normal course of business he would have paid for a side trip, no further action is warranted on this investigation.

Reporting Official/Title ██████████ Special Agent, Program Integrity Division	Signature
Approving Official/Title Alan F. Boehm Director, Program Integrity Division	Signature

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## BACKGROUND

Our investigation was initiated based upon information obtained during a debriefing of [REDACTED] ([REDACTED]), former [REDACTED], Minerals and Management Service (MMS), Department of the Interior (DOI), as part of a plea agreement. [REDACTED] related that in August-September, 1997, he and [REDACTED] traveled on official government business to Europe, and during that trip, [REDACTED] [REDACTED] MMS, scheduled a side trip to [REDACTED] Norway to collect family information and billed that portion of the trip to the government. [REDACTED] claimed that there was no reason for his travel to [REDACTED] Norway as there was no government business conducted there.

## DETAILS OF INVESTIGATION

We conducted a telephonic interview of [REDACTED] former [REDACTED], Minerals and Management Service (MMS), Department of the Interior (DOI), who was present with his attorney, [REDACTED] [REDACTED] [REDACTED] had recently been interviewed by Special Agent (SA), [REDACTED] DOI-OIG, as part of a plea agreement. During that interview, [REDACTED] stated that he had been on a TDY trip in August-September 1997, to Norway, with [REDACTED] and that they had taken a side trip involving airfare, lodging and per diem so that [REDACTED] could look up information pertaining to family history.

[REDACTED] provided some clarification and stated that a number of meetings had been set up in Europe to meet with International Regulators. [REDACTED] stated that at the time he was the Regional Supervisor for Field Operations and [REDACTED] was the [REDACTED]. While in the planning stages for the trip, [REDACTED] stated that [REDACTED] told him that when they went to [REDACTED] Norway, on September 5, 1997, he wanted to take a side trip to [REDACTED] Norway, to do some personal research on family history. [REDACTED] stated that he conveyed this information to his secretary and [REDACTED] coordinated with [REDACTED] secretary to set up a trip itinerary. [REDACTED] stated that on September 6, 1997, he and [REDACTED] flew to [REDACTED] Norway, and upon arriving at the hotel determined that the location [REDACTED] need to go to was 5 hours north. [REDACTED] stated that [REDACTED] decided that it was too far to go and they remained in [REDACTED] sightseeing and eating. [REDACTED] stated that there was no official business that transpired or that had been planned for the trip.

[REDACTED] stated that upon arriving back in the United States, [REDACTED] signed his travel voucher confirming that all travel was official. [REDACTED] stated that at no time did he or [REDACTED] discuss that the trip to [REDACTED] was not legitimate travel. [REDACTED] stated that he did not feel that he could say anything as [REDACTED] was his supervisor.

SA [REDACTED] was able to obtain a copy of the Travel Voucher in question from [REDACTED] former secretary who had kept a copy because [REDACTED] questioned the side trip to [REDACTED] Norway (**Attachment 1**). No other copies of the voucher exist as this was prior to electronic vouchers being processed. SA [REDACTED] was also able to obtain a copy of the front sheet of [REDACTED] voucher and Travel Authorization (**Attachment 2**).

We conducted an interview of [REDACTED] and he was advised that the nature of the interview concerned a TDY trip that he took to Norway, in September, 1997. [REDACTED] was advised that the

Case Number: [REDACTED]

investigation had been declined by the U.S. Attorney's Office for criminal prosecution and was provided with a Kalkines warning which he signed (**Attachment 3**). The interview was recorded but not transcribed and is contained in the investigative file.

Initially, [REDACTED] stated that he could not specifically recall the trip in question; however upon further questioning, [REDACTED] stated that he had been to [REDACTED] Norway, and that he had been there with [REDACTED] on that particular leg of the trip. [REDACTED] stated that both he and [REDACTED] had flown from [REDACTED] Norway, to [REDACTED] Norway. [REDACTED] claimed that he could not remember if there was legitimate business in [REDACTED] but if there had not been, he would have personally paid for that leg of the trip. [REDACTED] explained that he had gone to [REDACTED] to visit or to meet with relatives, but upon getting there, realized that the logistics would make it impossible for that visit to take place.

[REDACTED] reiterated that it is his normal course of business to pay for personal side trips and that if he had not done so on this trip, it would have been an error that he was more than willing to address. [REDACTED] added that both he and [REDACTED] were authorized lodging and per diem as they were in travel status. [REDACTED] stated that he does not have a copy of his travel voucher and does not have a copy of his government credit card receipts and has no way of being able to determine what took place in this particular instance. Further, [REDACTED] stated that he did sign, as the approving official, [REDACTED] voucher, but he would have expected that [REDACTED] paid for his own flight to [REDACTED] and would not have charged this to the government. [REDACTED] had no additional information and the interview was concluded.

We conducted a cursory review utilizing Yahoo Travel of travel costs from [REDACTED] Norway, to [REDACTED] Norway, and identified that the current cost of such a flight is \$202.00.

### SUBJECT(S)

[REDACTED] Minerals and Mining Service

### DISPOSITION

This investigation was declined for prosecution by [REDACTED], Assistant United States Attorney, Washington, DC. This investigation is being closed within the files of this office.

### ATTACHMENTS

1. [REDACTED] 1997 Travel Voucher #80383.
2. Front sheet of [REDACTED] Travel Voucher #78203.
3. IAR-Interview of [REDACTED] on December 9, 2008.
4. Kalkines form, [REDACTED] dated December 15, 2008.
5. IAR-Interview of [REDACTED] on December 15, 2008.



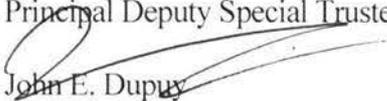
# United States Department of the Interior

OFFICE OF INSPECTOR GENERAL  
Washington, D.C. 20240

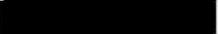
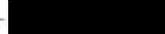
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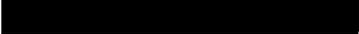
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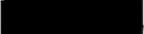
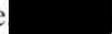
To: Donna M. Erwin  
Principal Deputy Special Trustee

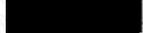
From:   
John E. Dupuy  
Assistant Inspector General for Investigations

Subject: Referral – For Bureau Action as Deemed Appropriate  
Response Required

Re: Investigative Report of  – 

The Office of Inspector General (OIG) has recently completed an investigation based upon an anonymous complaint alleging that  Office of Trust Review and Audit (OTRA), Office of the Special Trustee for American Indians (OST), in Albuquerque, NM, conducted fraudulent travel to Anchorage, AK between  2009 and  2009. Specifically it was alleged that on  2009,  was supposed to meet with Bureau of Indian Affairs (BIA) Regional Director Niles Cesar, Deputy Regional Director Charles Bunch, and Regional Realty Officer Rose Brady of the West Central Alaska Agency Office in Anchorage. Reportedly, all three individuals were not in the office that day and instead  went sightseeing and visited with friends.

We determined that  traveled to Anchorage on Thursday,  2009, and planned to meet with the regional officials on Friday,  2009. We learned that the regional officials were aware of the upcoming visit with ; however, Cesar and Bunch, were called away to Bethel, AK on official business and Brady was on annual leave. While at the regional office  met with the region's superintendent and other personnel.

Although the site visit was planned in advance, we found no evidence that  had a planned agenda consisting of formally scheduled meetings. We found no evidence that  went sightseeing or visited friends while he was in Anchorage on official government travel status on  2009. We did determine that  and members of his staff engaged in leisure activities in Anchorage on Saturday,  2009, while awaiting the trip to Barrow, Alaska on Sunday,  2009.

We are providing this information to you for whatever administrative action you deem appropriate. If during the course of your review you have any questions or require additional information, please do not hesitate to contact me at (202) 208-6752.

Attachment



**United States Department of the Interior  
Office of Inspector General**

**REPORT OF INVESTIGATION**

<b>Case Title</b> [REDACTED]	<b>Case Number</b> [REDACTED]
<b>Reporting Office</b> Program Integrity Division	<b>Report Date</b> February 19, 2010
<b>Report Subject</b> Closing Report of Investigation	

**SYNOPSIS**

We initiated this investigation based upon an anonymous complaint that alleged [REDACTED] ([REDACTED]), Office of the Special Trustee for American Indians (OST), in Albuquerque, NM, conducted fraudulent travel to Anchorage, AK between [REDACTED] [REDACTED]. It was specifically alleged that on [REDACTED] 2009, [REDACTED] was supposed to meet with Bureau of Indian Affairs (BIA) Regional Director Niles Cesar, Deputy Regional Director Charles Bunch, and Regional Realty Officer Rose Brady, West Central Alaska Agency Office in Anchorage. Reportedly, all three individuals were not in the office that day and instead [REDACTED] went sightseeing and visited with friends.

We determined that [REDACTED] traveled to Anchorage on [REDACTED], 2009, and planned to meet with the regional officials on [REDACTED] 2009. We learned that the regional officials were aware of [REDACTED] visit to the office in advance. Cesar and Bunch, however were called away to Bethel, AK on official business and Brady was on annual leave. While at the regional office, [REDACTED] met with the region's superintendent and other personnel.

Although the site visit was planned in advance, we found no evidence that [REDACTED] had a planned agenda consisting of formally scheduled meetings. We found no evidence that [REDACTED] went sightseeing or visited friends while he was in Anchorage on official government travel status on [REDACTED] 2009. We did determine that [REDACTED] and members of his staff engaged in leisure activities in Anchorage on Saturday, [REDACTED] 2009, while awaiting the trip to Barrow, Alaska on Sunday, [REDACTED] 2009.

<b>Reporting Official/Title</b> [REDACTED]/Special Agent/Program Integrity Division	<b>Signature</b>
<b>Approving Official/Title</b> Harry Humbert/Director, Program Integrity Division	<b>Signature</b>

Authentication Number: 07DAF56A315A6C4D1A782C4ABF32E876

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## BACKGROUND

Established by the American Indian Trust Fund Management Reform Act of 1994 (Public Law 103-412), the Office of the Special Trustee for American Indians (OST) was created to improve the accountability and management of Indian funds held in trust by the federal government.

The Office of Trust Review and Audit (OTRA) reports to the Special Trustee for American Indians. OTRA administers and manages the trust compliance rating system and conducts annual reviews/ratings of Indian trust asset management activities Department-wide.

In [REDACTED], [REDACTED] a Senior Executive Series (SES) employee, was appointed [REDACTED]. Prior to joining OTRA, [REDACTED] was the [REDACTED] regional offices in [REDACTED] and [REDACTED] and the [REDACTED] in Washington, DC.

## DETAILS OF INVESTIGATION

On November 16, 2009, we initiated this investigation based upon an anonymous hotline complaint, which alleged that [REDACTED] [REDACTED] conducted fraudulent travel to Alaska between [REDACTED] 2009 and [REDACTED] 2009, under the guise of meeting with BIA regional officials. The complaint specifically alleged that [REDACTED] was supposed to meet with BIA Regional Director Niles Cesar, Deputy Regional Director Charles Bunch, and Regional Realty Officer Rose Brady, West Central Alaska Agency Office in Anchorage. [REDACTED] was scheduled to meet with these officials on [REDACTED], 2009; however, they were all out of the office and unavailable to meet. The complaint further alleged that [REDACTED] elected to travel to Anchorage two days early to sightsee and visit with friends causing the government to waste \$834.00 in travel funds.

According to [REDACTED] travel voucher, he departed Albuquerque on [REDACTED], 2009, and traveled to Anchorage where he remained until [REDACTED], 2009 (**Attachment 1**). The remainder of the trip was spent in Barrow, AK until he returned to Albuquerque on Saturday, [REDACTED] 2009. Additionally, according to time and attendance records, [REDACTED] did not take any leave while he was on official government travel to Alaska during the aforementioned time frame.

We reviewed [REDACTED] e-mails for the period between July 1, 2009 and September 30, 2009. We discovered one e-mail, dated [REDACTED] 2009, that [REDACTED] sent to OTRA personnel stating that he was going to be on "official travel status [REDACTED], 2009" (**Attachment 2**). We did not find any additional correspondence between [REDACTED] and the officials at the BIA Anchorage office regarding his arrival, agenda, or scheduled meetings before, during, or after the travel period.

We interviewed [REDACTED] and OTRA [REDACTED] at his office in Albuquerque (**Attachment 3**). [REDACTED] stated that he and [REDACTED] OTRA, traveled to Anchorage the week of [REDACTED] 2009, to perform field audits in two remote regions of Alaska. [REDACTED] said he did not arrive back in Anchorage until the evening of Friday, [REDACTED] 2009, and did not see [REDACTED] until the next morning.

[REDACTED] said he was neither aware of nor asked what [REDACTED] did in Anchorage on [REDACTED] 2009. He recalled [REDACTED] briefly mentioned to him that he met with Eugene Virden, the BIA Deputy Regional Director for Indian Services at the Anchorage Regional Office, which was the extent of their

Case Number: [REDACTED]

conversation when they met up the following day. [REDACTED] said he had breakfast with [REDACTED] and OTRA [REDACTED] and they attended a local farmer's market.

[REDACTED] said [REDACTED] had been to Alaska on several occasions and that [REDACTED] never mentioned anything to him about sightseeing. [REDACTED] said that he and [REDACTED] left for Barrow, AK on Sunday, [REDACTED] 2009, and spent three days reviewing the operations of the Native Village of Barrow.

[REDACTED] told investigators that he made [REDACTED] travel arrangements. According to [REDACTED] [REDACTED] told him he wanted to fly to Anchorage on Thursday, [REDACTED] 2009, to meet with Cesar, Bunch, and Brady (**Attachment 4**). [REDACTED] advised that Cesar's office is in Juneau, and Brady and Bunch are stationed in Anchorage.

[REDACTED] said he met with Brady on Monday, [REDACTED] 2009 and [REDACTED] told him that [REDACTED] was not going to be available on Friday, [REDACTED] 2009. [REDACTED] added that Cesar and Bunch were scheduled to be in Juneau on [REDACTED], 2009, and that they were never contacted regarding a meeting with [REDACTED]. When asked how he knew there was no contact made, [REDACTED] replied, "I'm assuming that because no one was there."

[REDACTED] said that this type of scheduling conflict has happened with [REDACTED] before. According to [REDACTED] [REDACTED] traveled to the Southern Plains Regional Office in Anadarko, OK to meet with the regional director, who was not present when he arrived. [REDACTED] said he made [REDACTED] travel arrangements for that trip as well.

[REDACTED] said when he and [REDACTED] met with [REDACTED] on Saturday, [REDACTED], 2009, [REDACTED] told them that no one had been at the regional office and that he ended up talking to a regional office employee who worked on natural resources issues. [REDACTED] said they had breakfast together and attended a flea market. He said they may have had dinner together that night but he could not recall.

[REDACTED] said [REDACTED] main purpose for traveling to Alaska was to review an imminent jeopardy tribe in Barrow and that [REDACTED] thought he would put in some "face time" in Anchorage.

[REDACTED]

During our interview of [REDACTED] he acknowledged traveling to Anchorage on Thursday, [REDACTED] 2009 (**Attachment 5**). [REDACTED] said the purpose of his trip was to accompany OTRA auditors to a number of locations in Alaska. [REDACTED] said he met with BIA regional staff on Friday, [REDACTED] 2009, to discuss trust activities in the region.

[REDACTED] stated he had contacted Bunch prior to his arrival and that Bunch told him he was not going to be in on Friday, [REDACTED], 2009. Bunch told him that Brady would be available, but when [REDACTED] arrived at the office [REDACTED] was not there either. [REDACTED] said he met with the region's superintendent Gene Virden and the acting regional director and had discussions with them "throughout that day." [REDACTED] said he also maintained contact with his office and the acting special trustee in Albuquerque and he conducted business for a full eight hours that day.

Case Number: [REDACTED]

[REDACTED] said when he and [REDACTED] returned to Anchorage on Thursday, [REDACTED], 2009, he met with Bunch for several hours that afternoon. He also met with the OTRA auditors to discuss their findings. [REDACTED] said that they all returned to Albuquerque the next day.

We telephonically interviewed Virden, who recalled meeting with [REDACTED] while he was in Anchorage (**Attachment 6**). He said [REDACTED] and other OTRA personnel were in Alaska performing trust reviews and that he met with [REDACTED] on two occasions: when [REDACTED] initially arrived in Anchorage and after he returned from Barrow.

Virden recalled that [REDACTED] told him he was coming to Anchorage and that [REDACTED] was supposed to meet with Cesar and Bunch. According to Virden, [REDACTED] wanted to discuss what OTRA was doing in the region. Virden said he could not remember if Bunch or Cesar were in the office that day or if they actually met with [REDACTED] because he would not have been involved in those meetings. Virden said his meeting with [REDACTED] had been scheduled prior to his trip.

Brady was also interviewed, who recalled interacting with OTRA staff last summer (**Attachment 7**). Brady said [REDACTED] was aware that [REDACTED] was coming to the office, but could not recall if [REDACTED] had formally scheduled an appointment to meet with him on Friday, [REDACTED] 2009, because [REDACTED] Lotus Notes calendar was no longer available. Brady said [REDACTED] took some leave in the month of [REDACTED], but could not recall the exact dates. When [REDACTED] took leave, Brady said [REDACTED] usually appointed one of [REDACTED] supervisory real estate specialists, [REDACTED], to serve as realty officer in [REDACTED] absence.

*(Agent's Note: Regional office officials we interviewed stated that they could no longer access their electronic calendars for that time period due to the fact that BIA changed e-mail systems from Lotus Notes to Microsoft Outlook.)*

Brady recalled that early in the week of [REDACTED], 2009, [REDACTED] came by [REDACTED] office to pick up some documents prior to visiting some tribes in the region. [REDACTED] said that was the extent of [REDACTED] interaction with [REDACTED] staff.

During the interview with Brady, [REDACTED] asked [REDACTED] to come into [REDACTED] office and to answer questions from investigators. [REDACTED] indicated that their office may have been made aware of [REDACTED] arrival at the start of the audit at the beginning of that week. He recalled meeting with [REDACTED] briefly on [REDACTED] 2009, when [REDACTED] and the OTRA auditors met with the staff. [REDACTED] said he did not know what other business [REDACTED] tended to while he was at the regional office. He did not know if [REDACTED] had any other scheduled appointments in the regional office.

When we interviewed Bunch, he told us that [REDACTED] was scheduled to come to Anchorage and meet with him (**Attachment 8**). According to Bunch, he met [REDACTED] in the spring of 2009 at a self-governance conference and discussed meeting later in the year. Bunch said [REDACTED] was new to the position and both believed it was a good idea for [REDACTED] to come out and review the region and the tribes they served. Bunch recalled that he had complained to [REDACTED] that past reviews conducted by OTRA were not very in-depth. Bunch wanted to see an increase in the scope of those reviews.

Bunch said most of the groundwork for [REDACTED] visit was arranged at the conference while they discussed general guidelines for the reviews. Bunch said he was supposed to meet with [REDACTED] but Cesar assigned him to a project in Bethel. Bunch spoke to [REDACTED] who was in Barrow at the time,

Case Number: [REDACTED]

upon his return to Anchorage. Bunch reiterated that his meeting with [REDACTED] was formally scheduled although most of the planning was done at the self-governance conference a few months earlier.

### SUBJECT(S)

[REDACTED] Office of Trust Review and Audit, Office of the Special Trustee for American Indians, Albuquerque, NM

### DISPOSITION

This report will be forwarded to the Office of the Special Trustee for American Indians for any action deemed appropriate.

### ATTACHMENTS

1. Copy of travel voucher LM\_ANCHORAGE081309 and supporting documents for [REDACTED] travel to Anchorage and Barrow, Alaska beginning on [REDACTED], 2009 and ending on [REDACTED], 2009.
2. Copy of e-mail dated August 12, 2009, from [REDACTED] to [REDACTED] regarding his official travel status.
3. IAR – interview of [REDACTED] on December 15, 2009.
4. IAR – interview of [REDACTED] on December 15, 2009.
5. IAR – interview of [REDACTED] on December 15, 2009.
6. IAR – interview of Gene Virden on December 28, 2009.
7. IAR – interview of Rose Brady and Paul Roehl on January 6, 2010.
8. IAR – interview of Charles Bunch on January 6, 2010.



OFFICE OF  
**INSPECTOR GENERAL**  
U.S. DEPARTMENT OF THE INTERIOR

Memorandum

JUL 28 2010

To: Jon Jarvis  
Director, National Park Service

From: John E. Dupuy  
Assistant Inspector General for Investigations

Subject: Report of Investigation - [REDACTED]  
Case No. [REDACTED]

The Office of Inspector General concluded an investigation of [REDACTED] concerning allegations of [REDACTED] committing time and attendance fraud, travel fraud, and the questionable hiring of [REDACTED]

Our investigation revealed that the emergency hire of [REDACTED] in [REDACTED] 2010 by [REDACTED] and [REDACTED] staff may have violated 5 U.S.C. § 2302 (b) (7). We did not find evidence to support the allegations that [REDACTED] abused [REDACTED] time and attendance or [REDACTED] official Government travel.

We are providing this report to you for any administrative action deemed appropriate. Please send a written response to this office within **90 days** advising of the results of your review and actions taken. Also enclosed is an Investigative Accountability form. Please complete this form and return it with your response. Should you need additional information concerning this matter, you may contact me at (202) 208-6752.

Attachment



**OFFICE OF  
INSPECTOR GENERAL  
U.S. DEPARTMENT OF THE INTERIOR**

**REPORT OF INVESTIGATION**

<b>Case Title</b> [REDACTED]	<b>Case Number</b> [REDACTED]
<b>Reporting Office</b> Program Integrity Division	<b>Report Date</b> July 28, 2010
<b>Report Subject</b> Closing Report of Investigation	

**SYNOPSIS**

The Office of Inspector General initiated this investigation based on an anonymous hotline complaint dated February 13, 2010, which alleged that [REDACTED] [REDACTED] [REDACTED] National Park Service, committed time and attendance fraud and general mismanagement of appropriated funds. The complaint also alleged that [REDACTED] attended a training course in Virginia in order to visit [REDACTED] who was attending college nearby and that [REDACTED] remained in Virginia after completing the training course without taking annual leave. The complaint further stated that [REDACTED] coerced the "Division Chief" to hire [REDACTED] as an emergency hire in [REDACTED] 2010.

Our investigation determined that the emergency hire of [REDACTED] in [REDACTED] 2010 by [REDACTED] staff may have violated 5 U.S.C. § 2302 (b) (7). We did not find evidence to support the allegations that [REDACTED] abused [REDACTED] time and attendance or [REDACTED] official Government travel.

**BACKGROUND**

Title 5 U.S.C. § 2302 (b) (7) states —"Any employee who has authority to take, direct others to take, recommend, or approve any personnel action, shall not, with respect to such authority—(7) appoint, employ, promote, advance, or advocate for appointment, employment, promotion, or advancement, in or to a civilian position any individual who is a relative (as defined in section 3110 (a) (3) of this title) of such employee if such position is in the agency in which such employee is serving as a public official (as defined in section 3110 (a) (2) of this title) or over which such employee exercises jurisdiction or control as such an official."

Reporting Official/Title [REDACTED]/Special Agent	Signature
Approving Official/Title Harry Humbert/Director, Program Integrity Division	Signature

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DETAILS OF INVESTIGATION

We initiated this investigation based on an anonymous hotline complaint that alleged that [REDACTED] (MLK-NHS), National Park Service (NPS), committed time and attendance fraud and general mismanagement of appropriated funds (**Attachment 1**). The complaint also alleged that [REDACTED] attended a training course in Virginia in order to visit [REDACTED] who was attending college nearby and that [REDACTED] stayed in Virginia after completing the training course without taking annual leave. The complaint further stated that [REDACTED] coerced the "Division Chief" to hire [REDACTED] as an emergency hire in [REDACTED] 2010.

We investigated [REDACTED] time and attendance, [REDACTED] official Government travel, and the emergency hiring of [REDACTED] son. We did not investigate the allegation regarding general mismanagement of appropriated funds because of the broad nature of the complaint.

We interviewed [REDACTED], [REDACTED], NPS, who stated that [REDACTED] has never witnessed anything inappropriate with [REDACTED] time and attendance (**Attachments 2 and 3**).

[REDACTED], NPS, explained that [REDACTED] certifies [REDACTED] time and attendance in the computer system (**Attachments 4 and 5**). [REDACTED] told us that [REDACTED] NPS, tracks [REDACTED] time and attendance. [REDACTED] then stated that [REDACTED] has looked at vouchers for [REDACTED] travel on a few occasions but that [REDACTED] approves [REDACTED] travel. [REDACTED] did not notice any problems with [REDACTED] time and attendance.

When we interviewed [REDACTED] [REDACTED] explained that [REDACTED] inputs [REDACTED] time into the Quicktime system after [REDACTED] provides [REDACTED] with [REDACTED] time and attendance (**Attachments 6 and 7**). [REDACTED] stated that [REDACTED] is on the maxiflex schedule and usually comes into work around 8:00 a.m. or 8:30 a.m. and is usually still working when [REDACTED] leaves. [REDACTED] said [REDACTED] has never witnessed [REDACTED] abusing [REDACTED] time and attendance.

[REDACTED], NPS, also stated that he has never witnessed [REDACTED] abusing time and attendance (**Attachments 8 and 9**).

*Agent's Note: After interviewing [REDACTED] [REDACTED] [REDACTED] we determined that [REDACTED] [REDACTED] have approved [REDACTED] travel. The senior staff member working on any given day would be the one responsible for approving [REDACTED] travel vouchers.*

When interviewed, [REDACTED] explained that [REDACTED] works a maxiflex schedule starting at 7:00 a.m. until approximately 5:30 p.m. (**Attachments 10 and 11**). [REDACTED] stated that [REDACTED] was responsible for attending functions at [REDACTED] that often take place after normal duty hours. When asked how [REDACTED] accounts for unscheduled hours, [REDACTED] stated that [REDACTED] earns credit hours that are used just like compensatory time. [REDACTED] stated that as the [REDACTED] [REDACTED] does not report [REDACTED] time and attendance to [REDACTED] Regional Director unless [REDACTED] is taking time off for more than one week. [REDACTED] said the Regional Director sent this out in a memo to all the [REDACTED] in his region. [REDACTED] then said [REDACTED] staff was unaware of [REDACTED] schedule, which could have given an appearance that [REDACTED] was coming in late and leaving early.

Regarding [REDACTED] official travel, [REDACTED] stated that [REDACTED] makes [REDACTED] travel arrangements and inputs

Case Number: [REDACTED]

the appropriate information into their travel system (See Attachments 6 and 7). [REDACTED] then stated that [REDACTED] does not approve [REDACTED] authorizations or vouchers and told us that the Administrative Officer ([REDACTED] approves [REDACTED] vouchers. [REDACTED] stated that [REDACTED] has never witnessed [REDACTED] abusing Government travel and has never seen an occasion when [REDACTED] used official travel to visit [REDACTED] in [REDACTED], Virginia.

We asked [REDACTED] if [REDACTED] has ever set up a trip solely to visit [REDACTED] in [REDACTED], and [REDACTED] stated, "No. Under no circumstances" (See Attachments 10 and 11).

[REDACTED] and [REDACTED] all confirmed that they have never witnessed [REDACTED] abusing the use of official travel.

*Agents Note: Based on an OIG review of [REDACTED] time and attendance sheets and travel vouchers that were provided by NPS, the OIG was unable to find any issue with the documentation that has been provided to us. The maxiflex program allows [REDACTED] the authority to change [REDACTED] schedule as needed. As the [REDACTED], [REDACTED] explained that [REDACTED] is also responsible for setting up travel for both official Government business and training without prior approval from [REDACTED] supervisors at the regional level.*

We asked [REDACTED] to explain the hiring of [REDACTED] and [REDACTED] stated that [REDACTED] office submitted paperwork to Human Resources requesting job announcements for GS-5 Park Guides in [REDACTED] 2009 because the park was losing a currently employed guide after Christmas 2009 (See Attachments 2 and 3). [REDACTED] stated that as the MLK holiday rapidly approached, they still had not received a certification list of potential hires. [REDACTED] said [REDACTED] was desperate to have help for this busy time at the park. [REDACTED] then stated that [REDACTED] told [REDACTED] about [REDACTED] who recently graduated from the University of [REDACTED] and had a current background investigation. [REDACTED] stated that [REDACTED] "recommended that I look at him."

[REDACTED] said [REDACTED] presented the idea to [REDACTED] about hiring [REDACTED] on an emergency basis. [REDACTED] explained that they needed the emergency hire to assist during one of the park's busiest times of year. [REDACTED] said it was [REDACTED] idea to hire [REDACTED] and [REDACTED] never put pressure on [REDACTED] to hire him. [REDACTED] told us that [REDACTED] never interviewed or considered anyone else for the emergency hire because [REDACTED] did not know of anyone else that they could hire immediately and had the proper credentials.

We asked [REDACTED] if [REDACTED] contacted an ethics counselor before hiring the [REDACTED] and [REDACTED] stated that [REDACTED] talked to the Human Resources division but did not consult an ethics counselor. We also asked [REDACTED] if [REDACTED] talked to anyone about a conflict of interest in regards to hiring the [REDACTED] and [REDACTED] stated, "No."

[REDACTED] said this was the first time [REDACTED] used the emergency hire process at [REDACTED], but [REDACTED] did not implement this process specifically to hire [REDACTED]. [REDACTED] explained that [REDACTED] knows of the nepotism rules but has seen this done at other parks and did not see a problem with hiring [REDACTED] because there were layers of management between [REDACTED] and the [REDACTED].

*Agent's Note: [REDACTED] later told us that [REDACTED] was already working as a volunteer park guide at [REDACTED] prior to hiring him on an emergency basis. [REDACTED] graduated from college in [REDACTED] 2009, and started as a volunteer at [REDACTED] on [REDACTED] 2010.*

[REDACTED] also told us that they had vacancy requests for Park Guides because of three employees who

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had left (See Attachments 4 and 5). The process was not moving quickly, so [REDACTED] came to [REDACTED] because they needed extra park guides for the MLK holiday. [REDACTED] said [REDACTED] suggested hiring [REDACTED] son on an emergency basis.

[REDACTED] stated that [REDACTED] asked [REDACTED] if they could hire [REDACTED] and [REDACTED] told [REDACTED] they could because [REDACTED] had done it before, it did not violate Merit System principles, and it was only for 60 days. [REDACTED] then stated that [REDACTED] contacted the Region and received permission to do an emergency hire, but [REDACTED] never asked if they could hire the [REDACTED]. [REDACTED] stated, "I never send names when I ask for an emergency hire. It's not part of the procedure." [REDACTED] also said [REDACTED] did not contact the ethics office to get a ruling on whether or not they could hire [REDACTED]. [REDACTED] told us that [REDACTED] was never pressured by the [REDACTED] or anyone else to hire [REDACTED].

*Agents Note:* [REDACTED] researched Prohibited Personnel Practices and put the applicable section in [REDACTED] unofficial file. [REDACTED] offered this information at the conclusion of [REDACTED] interview and told us that [REDACTED] did this research after the OIG started their investigation.

[REDACTED] told us that [REDACTED] heard that [REDACTED] had been hired but did not know the circumstances of how he was hired (See Attachments 6 and 7). [REDACTED] told us that the Administrative Officer told [REDACTED] the hire was "adgit." [REDACTED] then said that when the former [REDACTED] worked at the Park, [REDACTED] was reassigned when he became [REDACTED].

[REDACTED] stated that he did not agree with the decision to hire [REDACTED] (See Attachments 8 and 9). [REDACTED] said that it wasn't [REDACTED] doing, that it was [REDACTED] decision. I said, you know, coming from Employee Relations, working on cases, I just thought it was a bad idea. It was a bad decision, because it creates a perception of something wrong. And I think when you're in green and gray and you're in the public working in government, public service, you should always be aware of how other folks perceive it. So from that perspective, I thought it was a bad decision," [REDACTED] said.

When we asked [REDACTED] about the hiring of [REDACTED], [REDACTED] stated that [REDACTED] was working as a volunteer at [REDACTED] when [REDACTED] asked if they could do an emergency hire for a park guide (See Attachments 10 and 11). According to [REDACTED] and [REDACTED] discussed hiring [REDACTED] because he had a current background investigation and was currently volunteering at the park. [REDACTED] stated that [REDACTED] told [REDACTED] that they could hire [REDACTED]. [REDACTED] then said [REDACTED] trusted [REDACTED] staff to follow the proper hiring procedures and to contact their Regional Office for authorization. [REDACTED] said [REDACTED] told [REDACTED] that everything had been cleared and they were going to hire [REDACTED] under the emergency hire authority. [REDACTED] stated that [REDACTED] Regional Director later contacted [REDACTED] about the hiring of [REDACTED] after the OIG initiated this investigation. [REDACTED] stated that at this point, [REDACTED] realized [REDACTED] staff did not follow the proper procedures. [REDACTED] accepted full responsibility stating [REDACTED] should have contacted the region and an ethics counselor herself to ensure the hire was not an ethical violation. [REDACTED] stated that [REDACTED] never intentionally influenced [REDACTED] staff to hire [REDACTED].

**SUBJECT(S)**

[REDACTED] NPS  
[REDACTED], NPS  
[REDACTED] NPS

**DISPOSITION**

This investigation is being forwarded to the Director of NPS for any action deemed appropriate.

**ATTACHMENTS**

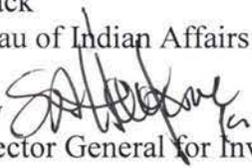
1. Anonymous complaint dated February 13, 2010.
2. IAR – interview of [REDACTED] dated May 26, 2010.
3. Transcript of Interview with [REDACTED] on May 20, 2010.
4. IAR – interview of [REDACTED] dated May 26, 2010.
5. Transcript of Interview with [REDACTED] on May 20, 2010.
6. IAR – interview of [REDACTED] dated May 26, 2010.
7. Transcript of Interview with [REDACTED] on May 20, 2010.
8. IAR-interview with [REDACTED] dated May 26, 2010.
9. Transcript of Interview with [REDACTED] on May 20, 2010.
10. IAR – interview of [REDACTED] dated May 26, 2010.
11. Transcript of Interview with [REDACTED] on May 20, 2010.



OFFICE OF  
**INSPECTOR GENERAL**  
U.S. DEPARTMENT OF THE INTERIOR

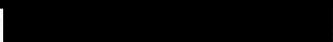
Memorandum

To: Michael S. Black  
Director, Bureau of Indian Affairs

From: John E. Dupuy   
Assistant Inspector General for Investigations

Subject: Report of Investigation –   
Case No. 

SEP 20 2010

The Office of Inspector General concluded its investigation into allegations that  the current , Bureau of Indian Affairs (BIA), and formerly the , BIA, took personal trips under the guise of Government travel. We received a letter dated January 26, 2010, from BIA outlining concerns with  travel. The letter stated that  had a subordinate employee approve most of his travel, and  allegedly spent \$23,450 traveling without prior authorization. BIA and Assistant Secretary – Indian Affairs analysts also found that  took personal side trips while on Government business, frequently traveled to Anchorage when his duty station was Juneau, and frequently traveled to Seattle when only two BIA employees work there.

We found no evidence that  took personal travel during Government time. We confirmed that he took personal side trips while on Government travel, but he paid for personal expenses, including airfare, using his personal credit card.  said he traveled to Anchorage frequently because most tribes are centered there, and the Acting BIA Alaska Regional Director confirmed that frequent travel to Anchorage was necessary. Seattle field office employees stated that  travel to their office was essential. We were able to confirm that deputy directors were allowed to approve travel for regional directors, but this policy is no longer in place.

 admitted he traveled without approval in 2009 because he had difficulty with the travel management system. We found that his unauthorized travel totaled \$16,220. We found an additional charge for \$3,267 for two non-refundable flights to Minnesota that  booked with no written authorization to  for a reassignment. BIA approved a later trip, but  did not use the original tickets and the Government was charged.

We are providing a copy of this report to you for any action deemed appropriate. Please send a written response to this office within **90 days** advising of the results of your review and actions taken. Please complete the attached Investigative Accountability form and return it with your response. Should you need additional information concerning this matter, you may contact me at 202-208-6752.

Attachment



**OFFICE OF  
INSPECTOR GENERAL  
U.S. DEPARTMENT OF THE INTERIOR**

**REPORT OF INVESTIGATION**

<b>Case Title</b> [REDACTED]	<b>Case Number</b> [REDACTED]
<b>Reporting Office</b> Program Integrity Division	<b>Report Date</b> September 20, 2010
<b>Report Subject</b> Closing Report of Investigation	

**SYNOPSIS**

We received a letter dated January 26, 2010, from the Bureau of Indian Affairs (BIA) outlining a review by the Secretary’s Office of Internal Evaluation and Assessment of former [REDACTED] [REDACTED] travel. The letter said that [REDACTED] had a subordinate employee approve most of his travel, and [REDACTED] allegedly spent \$23,450 traveling without prior authorization. BIA and Assistant Secretary – Indian Affairs analysts also found that [REDACTED] took personal side trips while on Government business, frequently traveled to Anchorage when his duty station was Juneau, and frequently traveled to Seattle when only two BIA employees work there. We initiated an investigation into these allegations on March 15, 2010.

We found no evidence that [REDACTED] took personal travel during Government time. We were able to confirm that he took personal side trips while on Government travel, but he paid for personal expenses, including airfare, using his personal credit card. [REDACTED] said he traveled to Anchorage frequently because most of the tribes were centered there, and the Acting BIA Alaska [REDACTED] confirmed that frequent travel to Anchorage was necessary. Seattle field office employees also stated that [REDACTED] consistent travel to their office was essential. We also confirmed that deputy directors were allowed to approve travel for [REDACTED] but this policy is no longer in place. [REDACTED] admitted that he traveled without approval in 2009 because he had difficulty with the travel management system. We found that his unauthorized travel totaled \$16,220. Finally, we discovered that in association with [REDACTED] reassignment, he booked two non-refundable flights for \$3,267, with no written authorization, to Minneapolis, MN, [REDACTED] BIA approved a later trip, but [REDACTED] did not use the original tickets and the Government was charged.

The Assistant U.S. Attorney for the District of Alaska declined prosecution. We are providing a copy of this report to the Director of BIA for any action deemed appropriate.

Reporting Official/Title [REDACTED] Special Agent	Signature
Approving Official/Title Harry Humbert/Director, Program Integrity Division	Signature

Authentication Number: 684028EA37CC3E3C7337B03E89C9D847

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DETAILS OF INVESTIGATION

On March 15, 2010, we initiated an investigation into possible theft of Government funds by [REDACTED] [REDACTED] and [REDACTED], Bureau of Indian Affairs (BIA). After [REDACTED] sought reimbursement for some allegedly unauthorized trips, the Secretary's Office of Internal Evaluation and Assessment reviewed his travel from July 5, 2006, through December 12, 2008. BIA and Assistant Secretary – Indian Affairs analysts found that [REDACTED] had a subordinate employee approve most of his travel, and [REDACTED] allegedly spent \$23,450 traveling without prior authorization (**Attachment 1**). They also questioned his frequent travel to a BIA Seattle field office with only two employees; his apparent travel to Las Vegas and Reno, NV, where no Government work allegedly occurred; and his frequent travel to the BIA Anchorage office when his duty station was in Juneau, AK. After discovering these discrepancies, BIA forwarded a letter summarizing the results of the review to our office.

Over the course of our investigation we reviewed 47 of [REDACTED] travel authorizations and vouchers, in addition to his credit card statements and emails. We also issued a subpoena to Alaska Airlines for [REDACTED] flight records, and we interviewed BIA personnel in Washington, DC; Seattle, WA; and Anchorage, AK.

[REDACTED], BIA, said he had been [REDACTED] supervisor for 5 ½ years (**Attachment 2**). He said that after GovTrip, the Federal Government travel management system, was implemented in 2009, tracking employee travel records became easy, and his office began to identify travel vouchers submitted by [REDACTED] for unauthorized travel. In total, he said, he and his [REDACTED], [REDACTED] identified 8 to 10 trips for which [REDACTED] had obtained no prior authorization. [REDACTED] said that he directed [REDACTED] to research these trips, who subsequently identified a number of other trips that had either not been approved by [REDACTED] or were approved by one of [REDACTED] subordinates. According to [REDACTED] BIA policy requires employees to obtain authorization before traveling.

[REDACTED] said [REDACTED] approved travel authorizations and vouchers for the 12 BIA [REDACTED] including [REDACTED] (**Attachment 3**). [REDACTED] said that in approximately January 2009, [REDACTED] was reviewing [REDACTED] travel documents and noticed that he was submitting requests for travel after he had returned from trips. Some travel authorizations were submitted 2 months after the travel took place, [REDACTED] said. According to [REDACTED] [REDACTED] began adding comments in GovTrip, asking why the authorizations were submitted late. [REDACTED] said someone called [REDACTED] possibly [REDACTED] and said the GovTrip system had been down. [REDACTED] said [REDACTED] replied, "Then you should be submitting either a fax or a paper copy to our office." [REDACTED] said that after this telephone call, [REDACTED] spoke with a GovTrip employee, who told [REDACTED] that the system had only been down for a couple days.

[REDACTED] said [REDACTED] began approving some of [REDACTED] vouchers but then made some observations and said to herself, "Something's terribly wrong here." Normally, when individuals traveled, they traveled from their duty station or residence and then returned to the same location, [REDACTED] said. [REDACTED] would travel from Juneau, AK, his duty station, to Washington, DC, and then return to Anchorage, AK. He would stay in Anchorage for an extended period, collecting payment for meals and incidentals, and then return to Juneau, [REDACTED] said. According to [REDACTED] [REDACTED] had heard that [REDACTED] had another residence in Anchorage. "His duty station is Juneau, and for him to just be in Anchorage just to work is probably unacceptable .... Although he wasn't claiming lodging, it's still a cost to the government that's not effective when his office is in Juneau," [REDACTED] said.

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[REDACTED] said [REDACTED] also noticed frequent trips by [REDACTED] to the Alaska Supply Operations Center in Seattle, a two-person duty station. "It's not even on our organizational chart," [REDACTED] said. [REDACTED] also sometimes diverted flights through Reno, NV, or Las Vegas, [REDACTED] added.

According to [REDACTED] [REDACTED] did not submit travel vouchers for most of 2009, but payments for centrally billed items such as hotels, airline fees, and rental cars were paid by the Government. For 2009, [REDACTED] said, the total cost for his travel was \$41,282.

[REDACTED] took note that in many instances, [REDACTED] had subordinate employees, including his deputy, approve his travel between 2006 and 2009, but [REDACTED] explained that around the fall of 2005, Grayford Payne, Director, Division of Financial Management, Office of the Assistant Secretary - Indian Affairs, gave [REDACTED] approval to have one of their deputies or someone else on their staff sign their vouchers.

[REDACTED], and currently the [REDACTED] to the [REDACTED] - Indian Affairs, said [REDACTED] notified him that [REDACTED] submitted five travel vouchers for which he had received no prior authorization (**Attachment 4**). [REDACTED] said he subsequently requested that the Secretary's Office of Internal Evaluation and Assessment conduct an analysis of [REDACTED] travel. According to [REDACTED] the analysis revealed that [REDACTED] made numerous trips in which authorizations and vouchers were signed by subordinate personnel, or for which he received no prior authorization. [REDACTED] said [REDACTED] should have known that authorizations and vouchers had to be approved by supervisory personnel and not subordinates.

[REDACTED] also questioned [REDACTED] need to visit the Seattle field office, stating that it was staffed by only two lower-level employees. The office had little impact on the overall operation of the Alaska Region, he said, and should not have required that level of attention by the [REDACTED]

According to [REDACTED] [REDACTED] was suffering from [REDACTED], and his physicians were located in Seattle. [REDACTED] surmised that [REDACTED] was traveling to Seattle to obtain medical treatment but admitted that he had no proof.

[REDACTED] for the Office of Internal Evaluation and Assessment, Assistant Secretary - Indian Affairs, said that in late 2009, [REDACTED] who was [REDACTED] at the time, requested that [REDACTED] analyze [REDACTED] travel (**Attachment 5**). [REDACTED] analysis covered trips or requests for travel between July 2006 and December 2009. [REDACTED] said that while the number of [REDACTED] trips did not appear excessive, the reason for the travel and the length of time taken seemed odd.

[REDACTED] said that during [REDACTED] analysis, [REDACTED] found that a significant number of travel authorizations and vouchers were signed by subordinate employees. While this raised concerns, [REDACTED] said that BIA did not have a policy prohibiting this. According to [REDACTED] BIA was drafting a policy that would require that authorizations and vouchers be approved by someone at least one supervisory level above the employee traveling.

Like many BIA employees, [REDACTED] used quarterly blanket travel authorizations before 2009, [REDACTED] said. Why he was traveling and whether the travel was proper was not always clear to [REDACTED] [REDACTED] explained, due to the lack of detail in the authorizations.

[REDACTED] said that for a period of time, [REDACTED] was also submitting his travel authorizations after he had returned from travel. Centrally billed expenses, however, such as airfare and lodging, were paid

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automatically by the Government. [REDACTED] said that beginning in February 2009, [REDACTED] traveled 19 times without prior authorization and he never received reimbursement for travel expenses including meals and incidentals. [REDACTED] said that if GovTrip was down, as [REDACTED] sometimes claimed, he should have faxed those authorizations to [REDACTED] for approval before travel.

After reviewing [REDACTED] travel documentation, we determined that he spent a total of \$82,810 on travel between July 2006 and December 2009 (**Attachment 6**). Of that amount, \$22,364 involved travel to Seattle, Las Vegas, Reno, and other areas in question, as well as travel in 2009 without authorization (**Attachment 7**). We also reviewed [REDACTED] credit card statements and found an additional \$9,212 in unauthorized travel-related charges.

We interviewed Seattle Support Center employees [REDACTED] and [REDACTED], regarding [REDACTED] trips to Seattle (**Attachment 8**). [REDACTED] said the BIA Seattle Support Center arranged the deliveries of bulk stove oil and gasoline to native villages in Alaska, and [REDACTED] visited the Seattle Support Center two to three times per year to assist with the budget. Because the Seattle office's budget was "non-appropriated," [REDACTED] said, [REDACTED] would visit and "see how we were doing." [REDACTED] explained that in 1992, [REDACTED] office was accused of being "anti-deficient." Around that time, [REDACTED] said, the office received a one-time appropriation of \$6 million.

[REDACTED] agreed that [REDACTED] visits were consistent over the years. [REDACTED] said he had been visiting the office since the time he became the Alaska [REDACTED] said he normally worked with them for a couple of hours and sometimes half the day. According to [REDACTED] [REDACTED] visits to the BIA Seattle office were necessary because he helped ensure the office had enough money to operate. "Just me being an [REDACTED] and trying to send stuff to [BIA Headquarters,] it doesn't carry as much weight," [REDACTED] said. "And if the [REDACTED] submits it to someone, and here's the backup, it carries a little more weight." If [REDACTED] had not traveled to Seattle to help with the budget, [REDACTED] said, the Seattle field office would have been shut down.

[REDACTED] reviewed [REDACTED] calendars for 2009 and was able to confirm [REDACTED] visits to the Seattle Support Center for all but one trip.

Regarding [REDACTED] frequent flight layovers in Seattle, [REDACTED] said Seattle was a main stop for Alaska Airlines for flights between Alaska and the other states. [REDACTED] agreed that Seattle was the normal Alaska Airlines layover for travel to and from Alaska.

When questioned about allegations that [REDACTED] may have used official Government travel to visit his doctors in Seattle, [REDACTED] confirmed that at one time, [REDACTED] had a doctor in Seattle at the University of Washington, but [REDACTED] was not aware of him falsifying any travel authorizations. [REDACTED] said [REDACTED] did not believe he used meetings with the Seattle Support Center as an excuse for setting up doctor appointments or other personal travel. "He was always taking care of business, taking care of the Alaskan people," [REDACTED] said.

[REDACTED] recalled that [REDACTED] began seeing a doctor in Seattle in approximately 2004, but [REDACTED] never saw any evidence that [REDACTED] used official Government travel to visit the doctor.

[REDACTED] for the Alaska Region, BIA, said the Seattle Support Center's primary purpose was to provide fuel to rural villages in Alaska, and [REDACTED] trips there were reasonable (**Attachment 9**). [REDACTED] said that since becoming the Acting Director, he had also traveled to Seattle to meet with the employees.

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[REDACTED] said that before 2000, using Seattle as an overnight stop when traveling from Alaska to the continental United States was “common practice.” He said that BIA recently received travel training in June 2010 advising employees that they were required to be in the air for 12 hours in order to stay overnight. According to [REDACTED] the training coordinator stated that employees could still probably justify an overnight stay in Seattle.

[REDACTED] said he never heard of [REDACTED] using a hospital in Seattle; [REDACTED] was an Alaskan Native and thus would have had free medical treatment in Juneau.

When asked about [REDACTED] frequent, lengthy travel to Anchorage when his duty station was Juneau, [REDACTED] said [REDACTED] maintained an office at the Frontier Building in Anchorage because of frequent meetings. He explained that meetings commonly ran an entire week. [REDACTED] advised that the majority of the work for the BIA Alaska Region was in Anchorage, and [REDACTED] had relocated staff from Juneau to Anchorage. He said this was why the duty location for the recently announced [REDACTED] position was in Anchorage.

[REDACTED] said he knew [REDACTED] maintains a townhome in South Anchorage, which was where he believed [REDACTED] stayed when he was working there.

*Agent’s Note: We confirmed that [REDACTED] owns property in Anchorage, AK (Attachment 10).*

[REDACTED] said there is plenty of money in BIA’s travel budget, and his personal travel budget last year was \$20,000. Since he took over the director position, he said, he sent a weekly schedule to Washington, DC, showing where he would be going. [REDACTED] did not do this, he said.

[REDACTED] opined that [REDACTED] had “slipped” a little bit and said he seemed more removed from the day-to-day activities. He said [REDACTED] used to be strict about holding people accountable and said that prior to 2008, he would not have let any problems with his travel occur because he would have wanted to be reimbursed.

[REDACTED] former [REDACTED] [REDACTED] said he had been the BIA Alaska Region Director for 19 years (**Attachment 11**). While his duty station as [REDACTED] had been Juneau, he said that the majority of his work took place in Anchorage because most of Alaska’s tribes were centered there. He said 213 Alaskan tribes were situated around Anchorage, and only 19 were in the southeast portion of the state, near Juneau. He said the trend in the BIA Alaska Region was to move employees to Anchorage, and it “didn’t make monetary sense” the keep everyone in Juneau.

[REDACTED] said he had a home in Anchorage for the last 5 years, and he normally worked at the Frontier Building. When asked about his frequent travel to Anchorage, he said he was a voting member on the [REDACTED] and spent a lot of time in Anchorage working on related issues. He said he also met with tribe members from over 200 villages in Anchorage because they did not want to fly to Juneau.

[REDACTED] stated that [REDACTED] did not like living in Juneau and at one point [REDACTED] decided to move to Anchorage, but he remained in Juneau. He said that when he traveled to Anchorage, he went there for business, not for personal reasons. He said he did not rent a car or charge the Government for a hotel when he stayed in Anchorage because he was with [REDACTED], but he did collect money for meals and

incidentals.

Regarding his frequent trips to Las Vegas during Government travel, [REDACTED] said he owned a condo there and would always take leave when traveling to Las Vegas from destinations involving Government business, such as Washington, DC. He said he always checked with the Government's travel agency to make sure the flight for the side trip to Las Vegas would not cost any extra money, and if it did, he would put that amount on his personal credit card. He said that most times, the extra flight did not cost any extra money and could even be less expensive. "I checked to make sure I was not skirting the law," he explained.

*Agent's Note: Assistant Secretary – Indian Affairs analysts reviewed [REDACTED] leave and found no instances where [REDACTED] was on leave and was reimbursed for travel expenses (See Attachment 1).*

[REDACTED] said he traveled on official business to Seattle to visit one of his field offices and did not go there to meet his doctors. He said the BIA Seattle Support Center, under his region, assisted in shipping fuel to the villages in Alaska, and he would go there to meet with the employees several times a year. [REDACTED] said he did not use surgeries or doctor appointments, particularly those related to his [REDACTED], to influence where and when he traveled. He admitted that he [REDACTED] living in Seattle but said he did not go there on Government travel to see [REDACTED]. He said he did not often rent a car or stay in a hotel when he traveled to Seattle because [REDACTED] would pick him up and he would stay with [REDACTED].

Regarding his frequent 1-night layovers in Seattle, [REDACTED] said he sometimes did this because traveling from Alaska to other states took considerable time, and not many flights were available. He explained that he often had only two choices when traveling to Washington, DC: leave Juneau at 6 a.m. and get into Washington, DC, at 9 p.m., or stop in Seattle, stay in a hotel, and leave the following morning. [REDACTED] said he could have stayed with [REDACTED] in Seattle, but he did not want to bother [REDACTED] with the late flights.

Regarding the two tickets purchased for a [REDACTED] 2009 to [REDACTED] 2009, trip to Minneapolis, MN, [REDACTED] said he was supposed to [REDACTED] there with [REDACTED] as part of his relocation agreement, but BIA headquarters did not sign his request for travel. He said he never took this trip.

When questioned about numerous trips he took in 2009 without receiving authorization in GovTrip, [REDACTED] said he had difficulty with the travel management system and called the travel agency directly. "I couldn't get my travel, you know, approved," he said. "And so I would call the travel agency myself and say I need to go here, here, and there. They would arrange it and I would go without sending, you know, anything to Washington .... But anyway, that's what I did." [REDACTED] said he believed he was the only BIA [REDACTED] who was required to get authorization for travel within his state.

[REDACTED] said his secretary, [REDACTED] submitted his travel vouchers. He said he would fill out the proper authorization form, oftentimes after the travel took place, and this included documenting the purpose of his trip, where it originated, his hotel, and other expenses. [REDACTED] would finalize the documents, he said, and send it forward for approval. He admitted making mistakes during this process by delaying the submission of documentation. "I made [mistakes] by not getting up-front permission," he said. He later added, "Govtrip was a mess. I don't want to deal with it. I admittedly took another route to do it. But I never once took a trip or vouchered and asked for money for a trip that wasn't business. I just didn't do that."

We questioned [REDACTED] about other trips and charges on his Government credit card unrelated to his

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travel to Seattle and Las Vegas. When asked about an [REDACTED], 2008 to [REDACTED] 2008 trip to San Diego, CA, [REDACTED] said he placed part of a rental car charge on his Government card and the rest on his personal card because he combined personal and Government travel. He said he was in San Diego for a Society of American Indians in Government meeting and then attended meetings in Garden Grove, CA. He admitted that when combining personal and Government travel, he may not have always split the rental car between his Government and personal credit cards, depending on the situation. "I believe it's authorized that you can do that in some instances," he said.

Regarding an [REDACTED] 2008 to [REDACTED] 2008 trip to Verona, NY, [REDACTED] said he had numerous problems on this trip that caused him to change his travel, such as flights being cancelled and his Government credit card not working. This resulted in him using his personal credit card to book one of the flights, he said, and then flying out of Buffalo instead of Verona. He said [REDACTED] was with him on this trip, and he paid for [REDACTED] expenses on his personal credit card.

When questioned about a flight taken to Reno, NV, [REDACTED] explained that he was traveling to Washington, DC, for work and took a side trip to Reno. He said the trip to Reno was personal and the Government was not charged for any portion of this trip.

Regarding a \$149 charge on his Government credit card for a hotel in Aspen, CO, in 2009, [REDACTED] said that he had never been to Aspen and was not sure what happened. He said a hotel room may have been canceled there and he had been charged anyway.

[REDACTED] admitted that he would sometimes book flights directly through Alaska Airlines, rather than use GovTrip or the authorized Government travel agent, but he would "almost without exception" get a cheaper rate than the Government rate.

[REDACTED] said that over the course of his 19 years as BIA Alaska [REDACTED] BIA's standard policy was for [REDACTED] to have their deputies approve their travel. He said his deputy in Alaska, [REDACTED], had approved most of his travel from 2006 through 2009, the period of travel BIA was questioning. He said he rarely sent travel authorizations to "Washington," unless he was traveling internationally.

[REDACTED] said he did not realize he violated Federal travel regulations by not getting prior approval for his travel. He said no one had told him to stop traveling before his credit card was taken away in 2009. [REDACTED] also said that during 2009, many of his travel vouchers were turned down by BIA headquarters, and he was never reimbursed for expenses including meals and incidentals. He believed BIA headquarters' analysis of his travel and refusal to reimburse him were part of a "personal vendetta" against him. He said that around the time he filed an Equal Opportunity Complaint against [REDACTED] he learned that BIA began analyzing his travel. He said no [REDACTED] had ever had his or [REDACTED] travel reviewed in this way, and he believed [REDACTED] made this happen because [REDACTED] had criticized his handling of some issues.

Our subpoena with Alaska Airlines confirmed that [REDACTED] Government credit card was charged \$3,267 for two flights to Minneapolis, MN, one ticket in his name and one in [REDACTED] name (**Attachment 12**). An Alaska Airlines representative confirmed that the tickets were not used, but were non-refundable.

On [REDACTED], 2009, [REDACTED] sent a letter to [REDACTED] informing him of his reassignment to Minnesota, which stated, "If you choose to accept the reassignment, your relocation will be at Government expense and

Case Number: [REDACTED]

you will receive all travel and relocation benefits to which you are entitled” (**Attachment 13**). BIA then began processing [REDACTED] travel authorization for his relocation, including a [REDACTED] trip (**Attachment 14**). On [REDACTED] 2009, Alaska Airlines issued [REDACTED] tickets for the Minneapolis trip from [REDACTED], 2009, to [REDACTED] 2009 (See Attachment 13). On [REDACTED] 2009, 11 days after the Minneapolis trip was to occur, [REDACTED] sent an email to BIA headquarters stating that he had finally received his travel authorization (**Attachment 15**).

We re-interviewed [REDACTED] regarding the Minneapolis tickets, and he said he believed he called Alaska Airlines directly to book the flights for him and [REDACTED] to go [REDACTED] in Minnesota on [REDACTED] 2009 (**Attachment 16**). He said he booked the trip directly through Alaska Airlines because this was more convenient and he was having trouble with GovTrip. [REDACTED] said that BIA headquarters staff delayed approving his travel authorization, so he decided to book through Alaska Airlines because he “needed to get there.” He explained, “It’s a [REDACTED] trip and you’re in a window trying to get there so that you can [REDACTED], come back, and prepare to leave.”

At first, [REDACTED] did not recall that the flights to Minneapolis were non-refundable, but he later said this was likely because he often booked non-refundable flights since they were less expensive, and because he was a “million-mile” traveler with Alaska Airlines, he could rearrange the travel dates if necessary. He said the issue of the flights being non-refundable did not occur to him when BIA did not approve his travel in time, and he did not think to notify anyone at Alaska Airlines or try to cancel the flight. He said he did not realize that Alaska Airlines charged the Government for the tickets.

[REDACTED] said he never ended up going to Minnesota for [REDACTED] even though the trip was later approved at the end of July because BIA reassigned him to [REDACTED]

At the conclusion of our investigation, we determined that [REDACTED] spent a total of \$16,220 on unauthorized travel in 2009 (See Attachment 8). Our analysis of his travel showed that the majority of his unauthorized trips were for purposes that had been approved in previous years, including tribal conferences and meetings.

Through our subpoena of Alaska Airlines, we confirmed that [REDACTED] used a personal credit card when his layover flight to Las Vegas increased the total cost of Government travel (**Attachment 17**).

We re-interviewed [REDACTED] regarding our investigative findings (**Attachment 18**). When informed about [REDACTED] explanation that he traveled frequently to Anchorage because most of the Alaskan tribes were centered there, [REDACTED] said BIA discussed moving the Alaska Region headquarters from Juneau to Anchorage. He explained that many tribes felt Anchorage was a better place to conduct business since it had more flights. “And so we’ve probably moved three-quarters or better of the office in Juneau, now, to Anchorage,” he said. “So it’s logical. I mean, I realize he did have an office there whenever he needed to go to Anchorage and have a place to conduct business . . . . But most of the time, when he went there, he should have been on some kind of travel orders, because that’s not his official duty station.” [REDACTED] said he was not aware until recently of [REDACTED] frequent trips to Anchorage, so he had never discussed this with him as a concern.

When asked about the comment by [REDACTED] that BIA regional deputy directors were allowed to approve travel for the [REDACTED] at one point, [REDACTED] said this was true. “And so whatever happened back then, I guess, by default or whatever you want to say, it was approved,” he said regarding [REDACTED] travel before 2009. He said the new policy stated that only supervisors could approve travel.

Case Number: [REDACTED]

We informed [REDACTED] about our findings regarding [REDACTED] frequent trips to the Seattle field office, and he said he was not aware that the office had any budgetary problems and needed [REDACTED] assistance.

[REDACTED] said he was aware that [REDACTED] never ended up going on the [REDACTED] trip to Minneapolis, but he did not realize the flights were non-refundable.

Regarding [REDACTED] unauthorized travel in 2009 and his failure to use GovTrip, [REDACTED] said, "This is a long-time Government employee, retired from the [REDACTED], had worked for the [REDACTED] under HHS and worked for us for almost [REDACTED] years, a Senior Executive. I don't buy it." He added, "We're required to know the proper procedures .... He's a guy that knows the chain of command. He's a guy that has lived by the rules and regulations. He should know."

[REDACTED] said he believed his communication with [REDACTED] over the years was positive and consistent, but he did not want to micromanage his [REDACTED] "I look at my position as being more of an oversight," he said. "You know, people, again, are Senior Executives, the highest you can go in the government, and they know how to do things, or else they wouldn't be in that position, and they don't need a lot of guidance. They don't need a lot of hand-holding."

[REDACTED] also said that [REDACTED] belief that he was the only [REDACTED] who needed his travel approved was false.

Regarding [REDACTED] claim that his disparaging comments to [REDACTED] caused BIA to analyze his travel, [REDACTED] said he recalled a national BIA meeting where [REDACTED] challenged [REDACTED] but he believed BIA had already started reviewing [REDACTED] travel.

[REDACTED] said he believed [REDACTED] "just got into the habit of doing things a certain way." He added, "And I think you can get to the point where you're a little bit careless or complacent or whatever it is and he just started to do a lot of travel without any authorization."

### SUBJECT(S)

[REDACTED] Bureau of Indian Affairs.

### DISPOSITION

The Assistant U.S. Attorney for the District of Alaska declined prosecution of [REDACTED] We are providing a copy of this report to the Director of BIA for any action deemed appropriate.

### ATTACHMENTS

1. Letter to the BIA Director from the Director, Office of Internal Evaluation and Assessment, dated January 26, 2010.
2. IAR – Interview of [REDACTED] on April 9, 2010.
3. IAR – Interview of [REDACTED] on April 30, 2010.
4. IAR – Interview of [REDACTED] on March 18, 2010.
5. IAR – Interview of [REDACTED] on March 23, 2010.
6. Excel spreadsheet of [REDACTED] travel costs prepared by the OIG.

Case Number: [REDACTED]

7. IAR – Review of [REDACTED] travel vouchers and credit card statements.
8. IAR – Interview of [REDACTED] and [REDACTED] on July 7, 2010.
9. IAR – Interview of [REDACTED] on June 22, 2010.
10. Property deed search for [REDACTED]
11. IAR – Interview of [REDACTED] on July 20, 2010.
12. Flight tickets for [REDACTED] and [REDACTED] issued on July 15, 2009.
13. Letter from [REDACTED] to [REDACTED] dated June 11, 2009.
14. Travel authorization for [REDACTED] dated July 8, 2009.
15. Email from [REDACTED] to [REDACTED] dated July 31, 2009.
16. IAR – Interview of [REDACTED] on September 16, 2010.
17. Flight ticket for [REDACTED] issued June 4, 2009.
18. IAR – Interview of Michael [REDACTED] on August 11, 2010.



OFFICE OF  
**INSPECTOR GENERAL**  
U.S. DEPARTMENT OF THE INTERIOR

AUG 25 2010

Memorandum

To: Renee Stone  
Deputy Chief of Staff, Office of the Secretary

From: Mary L. Kendall   
Acting Inspector General

Subject: Report of Investigation -   
Case No. 

The Office of Inspector General concluded an investigation initiated as a result of an anonymous complaint alleging that   
, were taking frequent trips to , where they both call home. The  career staff allegedly refused to sign the travel authorizations related to the questionable travel.

We found no evidence that  staff refused to sign travel authorizations for   
 based on questionable travel. Of the 25 total temporary duty trips   
has taken since his appointment, three were to   has taken 12 temporary duty trips since his assignment, four of which were to 

We found there was an adequate process to approve, review, and reconcile   
Government credit card and travel expenditures

Our review of the process as to how  Government credit card and travel expenditures were reviewed and reconciled identified some concerns. No one senior to  was reconciling  Government credit card expenditures to his travel vouchers. During our review, we determined that  was overcharged \$346.65 for a hotel stay on September 18, 2009, which was overlooked during the review process.

We are providing this report to you for any administrative action deemed appropriate. Please send a written response to this office within **90 days** advising of the results of your review and actions taken. Also complete the Investigative Accountability form and return it with your response. Should you need additional information concerning this matter, you may contact me at (202) 208-5745.

Attachment



**OFFICE OF  
INSPECTOR GENERAL  
U.S. DEPARTMENT OF THE INTERIOR**

**REPORT OF INVESTIGATION**

<b>Case Title</b> [REDACTED]	<b>Case Number</b> [REDACTED]
<b>Reporting Office</b> Program Integrity Division	<b>Report Date</b> August 25, 2010
<b>Report Subject</b> Closing Report of Investigation	

**SYNOPSIS**

The Office of Inspector General initiated this investigation as a result of an anonymous complaint alleging that [REDACTED] Indian Affairs, were taking frequent trips to [REDACTED] where they both call home. The [REDACTED] career staff allegedly refused to sign the travel authorizations related to the questionable travel.

We found no evidence that [REDACTED] staff refused to sign travel authorizations for [REDACTED] or [REDACTED]. Of the 25 temporary duty trips [REDACTED] has taken since his appointment, three were to [REDACTED]. [REDACTED] has taken 12 temporary duty trips since his assignment, four of which were to [REDACTED].

We reviewed the process to approve and review [REDACTED] Government credit card and travel expenditures and determined an adequate system was in place.

We found the process as to how [REDACTED] Government credit card and travel expenditures were reviewed was inadequate. No employee senior to [REDACTED] reconciled [REDACTED] Government credit card expenditures to his travel vouchers. During our review, we determined [REDACTED] was overcharged \$346.65 for a hotel stay on September 18, 2009, which was overlooked during the review process.

**DETAILS OF INVESTIGATION**

We initiated this investigation on May 6, 2010, based on an anonymous complaint that [REDACTED] Indian Affairs, were taking frequent trips to [REDACTED] where they both call home. It was alleged that career staff refused to sign the travel documentation because the trips could not be justified

<b>Reporting Official/Title</b> [REDACTED] Investigator	<b>Signature</b>
<b>Approving Official/Title</b> Harry Humbert, Director, Program Integrity Division	<b>Signature</b>

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Case Number: [REDACTED]

for business purposes.

We reviewed all of the travel vouchers for [REDACTED] and [REDACTED] for the period of June 2009 to May 2010 (**Attachment 1**). Since his appointment, [REDACTED] has taken 25 temporary duty trips, three of which were to [REDACTED] [REDACTED] has taken 12 temporary duty trips, four of which were to [REDACTED]

By comparing the Government credit card statements to [REDACTED] and [REDACTED] travel vouchers, we determined that [REDACTED] was overcharged \$346.65 for a hotel stay on [REDACTED], 2009, at the Holiday Inn Express in [REDACTED] (**Attachment 2**). We found no discrepancies in reviewing [REDACTED] Government credit card statements or travel documents.

[REDACTED], Office of the Secretary, was interviewed and said that [REDACTED] personally approved all of [REDACTED] travel. [REDACTED] said that [REDACTED] office manager prepared [REDACTED] travel authorizations, travel vouchers, and credit card statements for [REDACTED] review and signature (**Attachment 3**).

[REDACTED] said that [REDACTED] traveled a lot during his first year of employment. [REDACTED] estimated [REDACTED] took 60 trips and believed three or four were to Salt Lake City, UT. [REDACTED] said that [REDACTED] was very cognizant of his travel. [REDACTED] said, "Every trip I have seen so far is easy to defend."

We interviewed Margret Treadway, Counselor to the Principle Deputy Assistant AS-IA (**Attachment 4**). Treadway said when the new administration took over [REDACTED] was tasked with approving travel for [REDACTED] and several other AS-IA political appointees. Travel authorizations were continually being cancelled because no one was approving them within the established GovTrip time limits. Treadway said [REDACTED] travel was approved by the Office of the Secretary.

Treadway said that about a month ago [REDACTED] asked if someone else more familiar with [REDACTED] and the other AS-IA political appointees' travel could be responsible for approving their travel. Treadway said that a new person would be trained to approve the travel authorizations and vouchers for the AS-IA senior staff.

[REDACTED], AS-IA, said he was responsible for preparing [REDACTED] travel authorizations and vouchers based on the information [REDACTED] provided to him (**Attachments 5 and 6**). He said he would make flight arrangements based on [REDACTED] proposed schedule. Upon [REDACTED] returning from a trip, [REDACTED] said he would take the receipts provided by [REDACTED] and prepare a travel voucher. [REDACTED] said a hard copy travel authorization was signed by [REDACTED] or one of the other political appointees assigned to AS-IA.

[REDACTED] said that, in the past, Treadway would primarily sign the travel authorizations but [REDACTED] recently asked if someone more familiar with the travel could sign the authorization. Based on this request, he would ask [REDACTED] or one of the other political appointees to sign the authorization.

There were a few occasions when [REDACTED] rented a rental car and the gas was not claimed. When we asked [REDACTED] why he did not ensure the receipts were attached, he responded, "We're all adults," implying he only attached what was provided.

[REDACTED] did not have any information that would lead him to believe that [REDACTED] or anyone within AS-IA was abusing their travel privileges.

Case Number: [REDACTED]

[REDACTED] AS-IA, said that [REDACTED] was recently assigned the responsibility of approving [REDACTED] travel authorizations and vouchers (**Attachments 7 and 8**). Previously, Treadway approved [REDACTED] travel authorizations, according to [REDACTED] believed that the change was made to have someone that was more familiar with [REDACTED] travel be responsible for approving the travel authorizations and vouchers. [REDACTED] related that [REDACTED] prepared [REDACTED] travel authorizations and vouchers.

[REDACTED] added that [REDACTED] reviewed [REDACTED] Government credit card statements and then gave them to [REDACTED] to review for any discrepancies. [REDACTED] said no one senior to [REDACTED] reviewed his credit card statements.

[REDACTED] was interviewed and said his travel authorizations and vouchers were prepared by [REDACTED] (**Attachments 9 and 10**). [REDACTED] said he and [REDACTED] reviewed his Government credit card statements for discrepancies. He said his travel authorizations were mainly approved by [REDACTED] Upon return from an approved trip, [REDACTED] said he would provide his travel receipts to [REDACTED] who prepared the travel voucher for his review.

[REDACTED] said there were currently some hotel charges that he was in the process of paying back because he did not cancel the hotel reservation(s) in time. [REDACTED] said that personnel from the National Business Center discovered these discrepancies during a review. [REDACTED] was unaware of the extra room charges billed to his credit card on [REDACTED] 2009 (See Attachment 2).

[REDACTED] was interviewed and said that [REDACTED] approved all of his travel (**Attachment 11**). He said that all of the travel taken by [REDACTED] to include the travel to [REDACTED] was authorized and in support of the AS-IA mission.

### SUBJECT(S)

None.

### DISPOSITION

This Report of Investigation is being forwarded to the Chief of Staff, Office of the Secretary, for any action deemed appropriate.

### ATTACHMENTS

1. IAR – pertaining to document review, dated June 3, 2010.
2. Holiday Inn Express Receipt, dated June 1, 2010.
3. IAR – interview of [REDACTED] dated May 18, 2010.
4. IAR – interview of Margret Treadway, dated June 1, 2010.
5. IAR – interview of [REDACTED] dated May 28, 2010.
6. Transcript of interview with [REDACTED] dated May 21, 2010
7. IAR – interview of [REDACTED] dated June 1, 2010.
8. Transcript of interview with [REDACTED] dated May 28, 2010.
9. IAR – interview of [REDACTED] dated May 28, 2010.
10. Transcript of interview with [REDACTED] dated May 21, 2010.
11. IAR – interview of [REDACTED] dated May 24, 2010.



OFFICE OF  
**INSPECTOR GENERAL**  
U.S. DEPARTMENT OF THE INTERIOR

FEB 23 2011

Memorandum

To: David Hayes  
Deputy Secretary

From: Mary L. Kendall *Mary L. Kendall*  
Acting Inspector General

Subject: Report of Investigation- [REDACTED]  
Case No. [REDACTED]

The Office of Inspector General concluded an investigation based on an anonymous hotline complaint alleging that [REDACTED], and [REDACTED] used Government funds to travel to San Francisco, CA, from [REDACTED], 2010, but did not conduct Government business. The complaint also implied that [REDACTED] were involved in an improper romantic relationship.

A review of [REDACTED] emails showed that both were scheduled to meet with Micronesian leaders in San Francisco from [REDACTED] 2010, to discuss the Micronesian Center for a Sustainable Future (MCSF), an Office of Insular Affairs-funded project. The Micronesian official heading this project canceled his travel to San Francisco right before the trip, but [REDACTED] still wanted to meet with the other leaders since they would all be in San Francisco at the same time.

[REDACTED] said they met with individuals regarding Office of Insular Affairs issues while there, including the MCSF, the Guam Memorial Hospital Authority, and a Pacific Islands business summit. Two of the leaders confirmed that they met with [REDACTED] during that time. Both [REDACTED] denied having a romantic relationship.

We are providing this information to you for review and any action deemed appropriate. If during the course of your review you develop information or have questions that should be discussed with this office, please do not hesitate to contact me at 202-208-5745.

Attachment

cc: [REDACTED]



**OFFICE OF  
INSPECTOR GENERAL  
U.S. DEPARTMENT OF THE INTERIOR**

**REPORT OF INVESTIGATION**

<b>Case Title</b> [REDACTED]	<b>Case Number</b> [REDACTED]
<b>Reporting Office</b> Program Integrity Division	<b>Report Date</b> February 22, 2011
<b>Report Subject</b> Closing Report of Investigation	

**SYNOPSIS**

We initiated this investigation after receiving a hotline complaint alleging that [REDACTED] and [REDACTED] to [REDACTED] used Government funds to travel to San Francisco, CA, from [REDACTED], 2010, but did not conduct Government business. We also questioned the nature of [REDACTED] and [REDACTED] relationship due to the undertone of the complaint.

A review of [REDACTED] and [REDACTED] emails showed that both were scheduled to meet with Micronesian leaders in San Francisco from [REDACTED] 2010, to discuss the Micronesian Center for a Sustainable Future (MCSF), an Office of Insular Affairs-funded project. The Micronesian official heading this project canceled his travel to San Francisco right before the trip, but [REDACTED] and [REDACTED] still wanted to meet with the other leaders, according to their emails. During their interviews, [REDACTED] and [REDACTED] said they wanted to take the opportunity to meet with the leaders since they would all be in San Francisco at the same time. Both said they met with individuals regarding Office of Insular Affairs issues while there, including the MCSF, the Guam Memorial Hospital Authority, and a Pacific Islands business summit. Two of the leaders confirmed that they met with [REDACTED] and [REDACTED] during that time.

Both [REDACTED] and [REDACTED] denied having a romantic or sexual relationship. [REDACTED] said [REDACTED] was not surprised that allegations about their travel surfaced because numerous Office of Insular Affairs employees were upset that the MCSF was being transferred from the U.S. Department of Agriculture Graduate School to the University of Guam.

We are closing this investigation with no further action.

<b>Reporting Official/Title</b> [REDACTED]/Special Agent	<b>Signature</b>
<b>Approving Official/Title</b> Harry Humber/Director, Program Integrity Division	<b>Signature</b>

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Case Number: [REDACTED]

[REDACTED].” [REDACTED] added, “But no one was spending Government dime just arbitrarily.”

Due to the undertone of the complaint that [REDACTED] and [REDACTED] took a personal trip together at the Government’s expense, we also questioned [REDACTED] about the nature of [REDACTED] relationship with [REDACTED]. [REDACTED] described their relationship as professional and said they have known each other since working together on the U.S. Subcommittee on Insular Affairs. [REDACTED] said they travel together often, but usually others are present. When asked if [REDACTED] and [REDACTED] are having, or have ever had, a romantic or sexual relationship, [REDACTED] replied, “Hell no.” [REDACTED] said they did not travel to San Francisco simply to take a vacation together. [REDACTED]

During his interview, [REDACTED] stated that he traveled to San Francisco from [REDACTED] [REDACTED] 2010, to meet with leaders from the Pacific Islands (**Attachment 6**). He wanted to take the opportunity to meet with them since they would all be in the same place. “Anytime we get the opportunity to try to get all of them in one room, it’s worthwhile because, otherwise, I’m darting off to different places trying to meet with them on different matters,” he said. [REDACTED] was interested in meeting with President Mori, the leader of the MCSF project, but Mori canceled his travel.

According to [REDACTED] he asked [REDACTED] to accompany him on the trip because [REDACTED] was familiar with the MCSF project. He explained that he normally has at least one staff member travel with him, and even though Mori did not attend the meeting, [REDACTED] still wanted [REDACTED] there. “I mean, [REDACTED] kind of my catchall,” he said. “[REDACTED] kind of my right hand, so it’s very easy to have [REDACTED] around, and [REDACTED] kept in the loop with all the other issues that I deal with.”

While in San Francisco, [REDACTED] said, he attended dinner with the Micronesian chiefs, where he discussed issues pertaining to the hospital in Guam and issues in the Commonwealth of the Northern Mariana Islands. He thought he discussed MCSF with one of the leaders as well. [REDACTED] said he also spoke with Mori by telephone during the trip.

When asked about the nature of his relationship with [REDACTED] [REDACTED] said he has known [REDACTED] for several years, from the time they worked on the U.S. Subcommittee on Insular Affairs. He said they often travel together, but they do not have, and have never had, a romantic or sexual relationship. He described their relationship as “uncle to niece.” They did not travel to San Francisco for the sole purpose of taking a trip together, he said. [REDACTED]

We contacted Government officials who attended the meetings in San Francisco between [REDACTED] [REDACTED] 2010. [REDACTED] the former [REDACTED], stated that he attended the San Francisco meetings (**Attachment 7**). He said that while he did not recall [REDACTED] and [REDACTED] attending the meetings between Micronesian officials, they did attend a dinner at Morton’s restaurant. He recalled talking to [REDACTED] at the dinner about the possibility of reprogramming Federal funds to address an emergency cash shortfall and supply needs at the Guam Memorial Hospital Authority.

[REDACTED] Federated States of Micronesia, also recalled meeting with [REDACTED] and [REDACTED] in San Francisco (**Attachment 8**).

**SUBJECT(S)**

1. [REDACTED] U.S. Department of the Interior
2. [REDACTED] to the [REDACTED] U.S. Department of the Interior

**DISPOSITION**

We are closing this investigation with no further action.

**ATTACHMENTS**

1. Email to the Office of Inspector General complaint hotline, dated November 30, 2010.
2. Travel authorization and voucher for [REDACTED] for travel to San Francisco between [REDACTED], 2010.
3. Travel authorization and voucher for [REDACTED] for travel to San Francisco between [REDACTED] 2010.
4. Emails between [REDACTED] and [REDACTED] dated November 11 and November 12, 2010.
5. IAR – Interview of [REDACTED] on January 14, 2011.
6. IAR – Interview of [REDACTED] on January 14, 2011.
7. Email from [REDACTED] to the Office of Inspector General, dated January 25, 2011.
8. Email from [REDACTED] to the Office of Inspector General, dated January 20, 2011.